

MARCH 1, 1936

TWENTY CENTS

MAR 4 - 1936

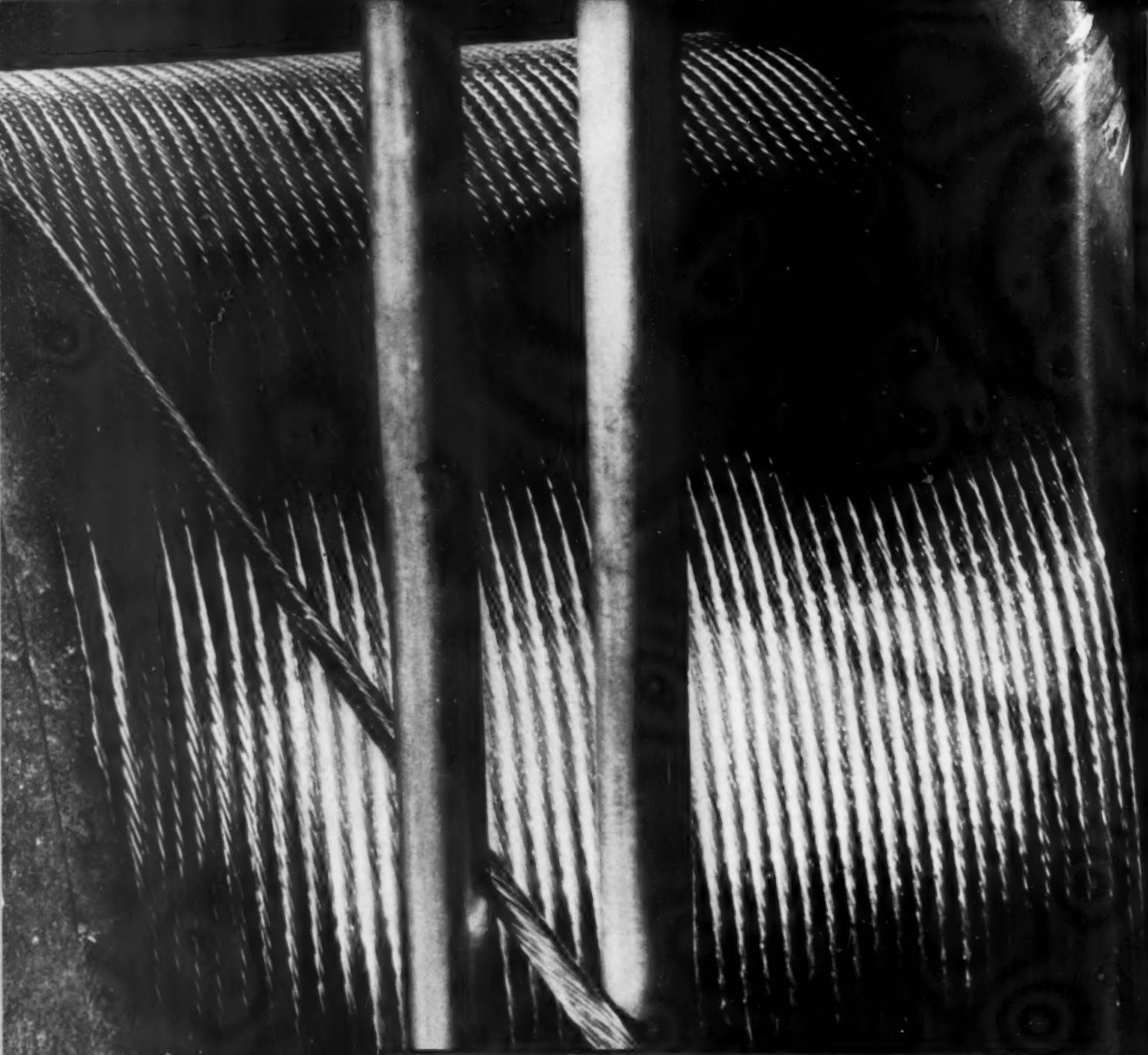
Sales management

DuPont's Anti-Freeze
Package Wins Highest
Wolf Packaging Award

Dividends Return to
A. Nash with Changes
in Sales Policy

The Showboy Salesman—
Shall We Rein Him or
Let Him Run?

THE MAGAZINE OF MODERN MARKETING



Basic Test

The basic test of how highly people value a magazine is how much they will pay to subscribe to it. Industrial and business executives of America pay nearly twice as much for their **FORTUNE** subscriptions as for any other business or general magazine. Small wonder that advertisers put a larger and larger part of their appropriations * into advertising in the well read advertising pages of

Fortune

135 East 42nd St., New York City

* 25% more dollars were spent in 1935 to reach **FORTUNE's** market than in the year before.



DRIVE it HOME IN 1936

THERE are salesmen and salesmen . . . but not one in a hundred is a CLOSER. Not one in a hundred knows when and how to DRIVE IT HOME.

Your real salesman studies his man, catches him when he's ready to listen and then POUNDS HOME his arguments until a prospect, interested, becomes a buyer, SOLD.

And, after all, what is a newspaper if it isn't a SALESMAN? And how can you rate any newspaper except on its relative ability to catch the prospect AT THE RIGHT TIME, drive your sales argument HOME, and close the business?

The specialty of The Chicago Daily News is DRIVING IT HOME for you. It goes into more than 400,000 able-to-buy Chicago homes and makes a

sympathetic, sincere and persuasive solicitation for you UNDER THE MOST FAVORABLE CONDITIONS POSSIBLE . . . in the evening when the whole family is in committee assembled and ready to listen. On its record, it stands head and shoulders above any newspaper salesman in Chicago.

Here is its score card for 1935:

- ★ over a million lines MORE total display advertising
- ★ over a million lines MORE retail advertising
- ★ over a million lines MORE department store advertising than any other Chicago newspaper . . . morning, evening or Sunday.

If you have a sales message to deliver, let Chicago's leading salesman DRIVE IT HOME.

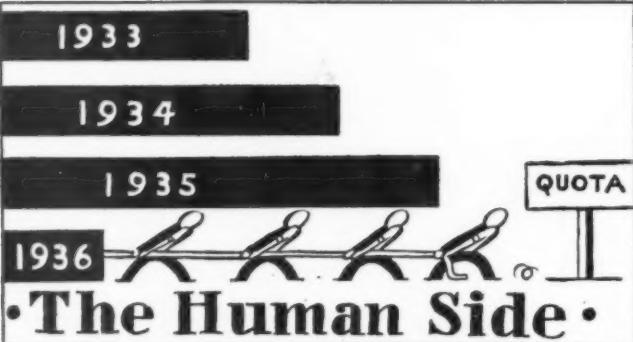
THE CHICAGO DAILY NEWS

-Chicago's Home Newspaper

GEORGE A. McDEVITT CO., National Advertising Representatives, NEW YORK...CHICAGO...PHILADELPHIA...DETROIT...SAN FRANCISCO

MARCH 1, 1936

[273]



Palmolive Preferred

"Nine out of ten Hollywood beauties" may use Lux toilet soap, but the beauties of the current "Ziegfeld Follies" on Broadway have finally cast their lot with Palmolive.

At least that is what we have learned from one of our more reliable friends, who learned it direct from the lips of one of the (we hope) more reliable Ziegfeld beauties.

We did not check on it, either with Lever Brothers Company, who make Lux, or with Colgate-Palmolive-Peet Company, because sometimes checking simply ruins a good story.

It seems that shortly after the "Follies" opened, a Lux representative appeared and said to the girls, one after another, that he would give them each 20 cakes of Lux if they would say publicly that they used it. At least nine out of ten of them, it was said, proceeded to say that they used Lux.

A few days later there came to the back door of the Winter Garden a representative of Palmolive. He bore not soap but a flock of checks, each for \$5, with only the name of the recipient missing.

The girls decided, very suddenly, that the one thing that could make a lovely girl lovelier was Palmolive. The olive oil in Palmolive does something to you. . . . They rescinded their Lux testimonials, said some eloquent things about Palmolive, and kept their respective \$5's.

Of course, the fact that Palmolive has just put the "Ziegfeld Follies" on the air may have had something to do with their preference. It wouldn't look very well, with Palmolive giving all this fine publicity to the stage "Follies," for the girls to get all lathered up over Lux.

Those Marquee Cut-ups

Sitting in contemplation after reading SM's various and sundry references to No, No, No and lock-tite panties, perhaps there is an idea in a recent sign over a Chicago movie house which makes vaudeville the meat in the sandwich.

The gleaming globes spelled out:

40 BEAUTIFUL GIRLS 40
and

THE BISHOP MISBEHAVES

A passion flower to theatre owners Balaban & Katz.

None But the Brave Deserve the Fair

SM'S Rome correspondent smuggles a letter past Il Duce's iron censorship to inform us that the Italian bureau of propaganda is up to no end of tricks to stimulate enthusiasm for the Ethiopian "expeditionary" campaign. One of the devices to encourage young warriors' eagerness to sail for Africa is the circulation of pictures and glowing descriptions of Abyssinian belles.

Consider the "beauties" of the dusky maidens (all whose pictures we have seen resemble nightmare visions), and it becomes

apparent that the propaganda boys have their work cut out for them. But, like true-blue patriots, they bang on their typewriters for God, for country and for Mussolini.

The next time a salesman moans about the difficulties he is encountering selling your good product, call his attention to the Fascist propagandists who are so manfully "selling" a decidedly inferior product.

Table Cloth Artists Get a Break

In keeping with his desire to render additional service to his guests, Charles E. Rochester, Mine Host of the Hotel Lexington, New York, has given careful study to one of the largest and, hitherto, most neglected groups in the art world—table cloth decorators.

After exhaustive analysis of the napery of the Lexington restaurants after thousands of pencil wielders had done their stuff, Mr. Rochester announces that the markings are divided into these branches of art:

Income tax deductions, profits to be made in various business enterprises, telephone numbers, estimated gallonages, altitude records, mileage, expense accounts and other figures	68.5%
Plans and specifications of new suburban houses and outbuildings, bridges, airplanes, boats, baby carriages, and bobsleds	13%
Poetry, song titles, epigrams, limericks, and other belles lettres	7%
Girls' faces and other anatomical studies, Freudians, esoterica, exotica, fauna and flora	3%
Blobs, unclassified	3%

Mr. Rochester is now providing a neat pad 7 x 3 3/4 inches for each table guest "with our compliments." The head waiter will supply pen, pencil, crayon or charcoal upon request. If the table cloth Rembrandts and da Vincis can be trained to place their inspired creations on these pads, countless masterpieces will, undoubtedly, be preserved for posterity. Art Museums of the future may have cause to bless the name of Art Patron Rochester.

Aristocracy of Pin Games

Whether or not pin games—otherwise known as bagatelle—are a matter of skill or chance—has lately become a problem of national concern.

Manufacturers of the games—notably Mills Novelty Company, Chicago—and the operators of thousands of "sportlands" have made a nice profit from the eternal hope in the human breast that, somehow, seven runs (100 coupons) could be scored before the lights showed three outs, and that a metal steed could be pushed around the course (150 coupons) merely by dropping ten balls propitiously into certain holes.

Perhaps it was the wives of late-returning husbands who started the opposition. Perhaps the wives found the family wages a dollar or two short. Perhaps the merchandise won was not quite equivalent to the expense incurred. Or perhaps it was simply professional long-faced busybodies who decided that pin games were providing too much enjoyment, and therefore probably violated some laws. The gambling laws were cited.

Throughout the country the various city fathers began delving into the intricacies of pin games. In Denver the "sportland" people brought expert players into court to show that mostly it was skill. Mayor LaGuardia of New York recently ordered the pin games out, and a suit of 28 of the operators thus far has availed them nothing.

In Akron, however, the problem is being met differently. The Akron Amusement Association and affiliated merchants have taken full page newspaper space there to point out that "simple pleasures of the past set high standards for the present." A be-ruffled Vic-

SALES MANAGEMENT, published semi-monthly, on the first and fifteenth, except in April and October, when it is published three times a month and dated the first, tenth and twentieth; copyrighted and published by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the Act of March 3, 1879. March 1, 1936. Volume XXXVIII. No. 3.

A true Success Story about a COFFEE COMPANY that used its Bean

This is the story of the Thomas J. Webb Company, its recent volume increases on the Thomas J. Webb brand, and how the launching of two new brands further increased its profits.

For years Thomas J. Webb Coffee has been a well known brand to Chicagoans—and always one of the leaders among what are generally known as top brands. With the depression, changing economic conditions caused many customers to switch to lower price merchandise. Obviously, such practice on the part of the public militated against the continuation of volume sales for Thomas J. Webb Company. As a high quality brand, Thomas J. Webb coffee, of course, could not be sold down to a price.

Also about this time, large national advertisers moved into the Chicago market with huge advertising expenditures. Thus confronted with a price situation and a highly competitive market, the Webb Company felt it unwise to match advertising dollars with their competition.

But in June, 1935, the idea of offering two additional brands, one in the medium price and the other in the lower price bracket, was conceived. And the three brands were grouped together in a merchandising plan termed the Webb Custom Coffee Service—Thomas J. Webb, the highest quality blend, in vacuum tins; Elmwood Club, a medium priced blend, also in vacuum tins; and Mount Vernon, a fine coffee packaged in a paper bag.

From the conception of the Custom Service idea, the Chicago American worked hand in hand with the Thomas J. Webb Company and the Reinecke-Ellis-Younggreen & Finn Advertising Agency in developing a basic structure



for this whole plan. Before a single line of advertising appeared, the market was broken down to conform with the numerical strength of the Webb sales organization. Then each salesman was furnished with charts showing distribution of all three Webb products, as well as a chart of non-stocking dealers. Thus the complete picture of the job to be done was given to the Webb Company and its salesmen before a cent of advertising money was spent. The campaign broke with a full color page in the Saturday Home Magazine of the Chicago American, announcing the Webb Custom Coffee Service. Weekly black and white advertisements followed with a color page each month, all pounding away at this same idea.

Orchids to the advertiser and the agency, both of whom supported the campaign with intelligent sales direction and advertising. Here are the results:

In five months one thousand new retail grocery outlets.

Increased orders from grocers already stocking Webb Coffee.



First time and repeat orders on Elmwood Club and Mount Vernon brands. Dollar increase in volume that is spectacular (no figures for publication, but take our word for it that the figures were far beyond their expectations.)

The advertising campaign was carried exclusively by the Chicago American. To date, the Thomas J. Webb Company has used a four-color page each month with sustaining weekly black and white copy. For 1936, campaign plans carry on in the same manner.

Advertisers interested in sales control of the Chicago market are invited to inquire about their problems. If you're in the food business perhaps you'd like to hear further about the Webb story, particularly as to retail grocery outlets and sales distribution. The Chicago American is prepared to discuss any business from the viewpoint of the Chicago market and to provide merchandising and sales control helps that will increase returns from advertising in America's second largest market. Write or telephone the Hearst International Advertising Service (Rodney E. Boone, General Manager) and a representative will be glad to call and discuss your particular problem in relation to the Chicago market.

CHICAGO AMERICAN *... a good newspaper*



The American has the largest evening circulation in Chicago, more home circulation, and greatest concentrated circulation among active young men and women in their 30s and 40s—the most powerful buying unit in today's market.

NATIONAL REPRESENTATIVES: HEARST INTERNATIONAL ADVERTISING SERVICE
Rodney E. Boone, General Manager

SALES management

Vol. XXXVIII. No. 5

March 1, 1936

CONTENTS

Advertising

Limerick Contest Starts Kraft's Drive on "Dairy-Fresh"	298
Newspaper Men Gather in Chicago at Tribune "Color Conference"	291

General

Sales and Safe Driving Campaign Mix Well for Montgomery Ward	314
Significant Trends	281
Patman Bill Fireworks Open Discussion of Swiss and German Chain Store Laws	326

Handling Salesmen

How We Swipe Sales Ideas out of "Sales Management" . . . <i>By E. B. Osborn, Sales Manager, Economics Laboratory, Inc., St. Paul, Minn.</i>	312
The Show-boy Salesman—Rein Him, or Let Him Run? . . . <i>By John Allen Murphy</i>	290

Markets

How 2,183 Other Markets Stand in Per Capita Food Sales. <i>By Rene Pepin</i>	306
How Magazines Differ—as Shown by City Preferences . . . <i>The twentieth of a series of unique surveys made exclusively for SALES MANAGEMENT under the sponsorship of the Market Research Corporation of America</i>	296

Product Design

Designing to Sell	302
Du Pont Wins Wolf Packaging Award for '35-'36	294
"Gloves Designed for Your Hat" Help Meyers Cover Naked Hands	286
Sear's Redesigned Coldspot Sets Industry's Tongues A-Wag.	286

Premiums

Feature Inexpensive Household Articles in Your Premium Offers <i>By R. G. Drouin, Jr.</i>	320
--	-----

Sales Policy

Junking of Horse and Buggy Catalogs and Outmoded Products Brings Montgomery Ward's Sales Back . . . <i>By Lester B. Colby</i>	300
Major Changes in Sales Policy Bring Dividends Back to A. Nash . . . <i>By A. J. Long, Jr., Sales Director, The A. Nash Company, Cincinnati</i>	284
Radio, Once Bane of Piano Business, Proving Its Boon . . . <i>By D. G. Baird</i>	292

Departments and Services

Advertising Campaigns	318
Comment	344
Magazine and Radio Expenditures	330
Marketing Flashes	304
Media and Agencies	336
Sales Letters	332
SM's Sectional Index of General Business	224
The Human Side	274
The Scratch-Pad	293
Tips	343

EDITORIAL STAFF: RAYMOND BILL, *Editor and Publisher*; PHILIP SALISBURY, *Executive Editor*; A. R. HAHN, *Managing Editor*; E. W. DAVIDSON, *News Editor*; M. E. SHUMAKER, *Desk Editor*; F. L. SULLIVAN, *Production Manager*.

ASSOCIATE EDITORS: JAMES R. DANIELS, LAWRENCE M. HUGHES, LESTER B. COLBY, D. G. BAIRD, MAXWELL DROKE, RAY B. PRESCOTT, L. R. BOULWARE, FRANK WAGGONER.

Published by Sales Management, Inc., RAYMOND BILL, President; PHILIP SALISBURY, C. E. LOVEJOY, JR., M. V. REED, R. E. SMALLWOOD, W. E. DUNSBY, Vice-Presidents; T. J. KELLY, Secretary; EDWARD LYMAN BILL, Treasurer. Publication office, 420 Lexington Avenue, New York. Telephone, Mohawk 4-1760. Chicago, 555 North Michigan Avenue. Telephone State 1266. Santa Barbara, California, 29 East de la Guerra. Atlanta, Georgia, 42 Peachtree Place, N. E. Subscription price, \$4.00 a year. Canada, \$4.25. Member Audit Bureau of Circulation, Associated Business Papers, Periodical Publishers Institute.

torian lady and gentleman are shown playing "pin ball." . . . "During times of rest and quiet indoors, they would turn to their bagatelle board, that time honored game which for ages had been a test of man's dexterity and mental alertness."

The Akron people, with the help of advertising, thus become not merely defensive but promotional. Surely the city fathers there would not think of interfering with this pleasant heritage from our grandfathers!

Add First Sign of Spring:

Ice may choke the streets of Manhattan, and SALES MANAGEMENT's headquarters staff weary of rubbers, mufflers and colds in the head. But from our Chicago offices comes an almost-first-of-March snapshot which gives us hope—a sign in a shop window which proclaims:

"Ear Muffs, 5 cents."

Obvious, My Dear Sir, Obvious

The Old Age Revolving Pension Plan, Ltd., which is the official title for the Townsend plan, is broadcasting a talk over station WIP, in Philadelphia, every Saturday. Placed direct, and not through an agency, the 15-minute program will continue until May 30.

Two guesses are allowed as to what the theme music ought to be—whether or not it is actually employed by the Townsendites. No, don't get sidetracked by "Silver Threads Among the Gold," even if that tune does contain the words, "Darling, I am growing old." Think again. Got it? Of course—"The Money Goes Round and 'Round."

Models' Magna Charta

The 10,000 and more members of that "silent sales force," composed of professional artists', photographers', fashion and clothing models in New York, will meet through their representatives there March 8 to take steps toward forming a Models' Equitable Association, for their mutual protection—and perhaps, profit.

On the other side of the fence at this meeting will sit advertising agency executives, artists and photographers.

Sol Jacobs, Broadway lawyer, has been, it was said, the chief factor in bringing the models and their employers together. Mr. Jacobs has done this from friendship with models. He will not be an executive of their Equity Association.

George W. Sutton, Jr., publicity man, whose interests include not only Tide Water Oil, Wine Institute, Laird Applejack but certain under-dogs, is taking some initiative in it.

The models seek a score of "rights," mostly covered under the heading, rates, terms and hours of employment. They want, for instance, to get rid of speculative assignments and they'd rather not work for gypsies and chiselers.

They seek to be paid for time spent in obtaining special costumes, and for time spent in reaching "out-of-the-way" locations. They want "standardized remuneration" for re-takes, and adjustment of the differential in fees from photographers and artists.

Being slightly sympathetic with the under-dogs ourselves, and preferring to live our life as simply and chastely as possible, we liked particularly the models' "demand" for "full standardized extra pay for evening wear, bathing suits, lingerie and posing for objectionable products and situations."

Miracle in Randolph Street

All Winter, and such a Winter, crowds on Randolph Street, Chicago, have been stopped by a medley of bird voices. The songs of hundreds of canaries have greeted frost-nipped ears. Surprised pedestrians, turning their faces, quickly perceive that the bird chorus comes from the Vaughn Seed Co. store.

This pleasing advertising stunt is accomplished by a loud-speaker system. The mike is set in the store's canary room and the loud-speaker is set outside an upper story window. The gold fish department is reported green with envy.



So that "he who runs may read"

Outdoor Advertising must reflect basic principles of true Salesmanship-in-Print

WHEN AMERICA rides or walks it takes advertising in its stride. Your Outdoor Advertising must talk fast.

The message must get across in the wink of an eye. It must strike with lightning impact—copy and illustration welded to create a single flash impression on the mind.

All the arts of fundamental printed salesmanship—all the uses of swift drama, news, emotion, gripping interest—achieve their most concentrated expression in Outdoor Advertising. And like all printed salesmanship—the vital element of the successful poster is a great selling idea that wins instant conviction from the observer. In other words—"A swift idea, swiftly told."

Lord & Thomas Among the First

We were among the first agencies in America to build a completely equipped Outdoor Advertising Department, with a personnel trained in the Outdoor medium, thoroughly acquainted in the industry, and able to win the closest cooperation of poster plant operators.

Even today, there are only a handful of agencies so equipped. And so effective has been the service we have rendered, that among advertising agencies, Lord & Thomas have ranked first or second in each of the past few years in regard to the number of national accounts using the medium of Outdoor Advertising.

Among these are some of the largest users of this medium. And the results amply prove their wisdom in

entrusting the entire Outdoor program to a single supervision such as we offer.

How Our Clients Benefit

For one client we contracted for almost 30,000 poster locations each month.

For another, by dint of exceptional acumen in buying locations, we were able to prove that his Outdoor Advertising was costing him *less than seven cents per thousand net advertising circulation*.

For still another (the most successful user of this medium in the food field) we estimate that Outdoor Advertising is covering 41 million shoppers daily, in 688 American cities and towns.

Markets Differ—No Inflexible Plan

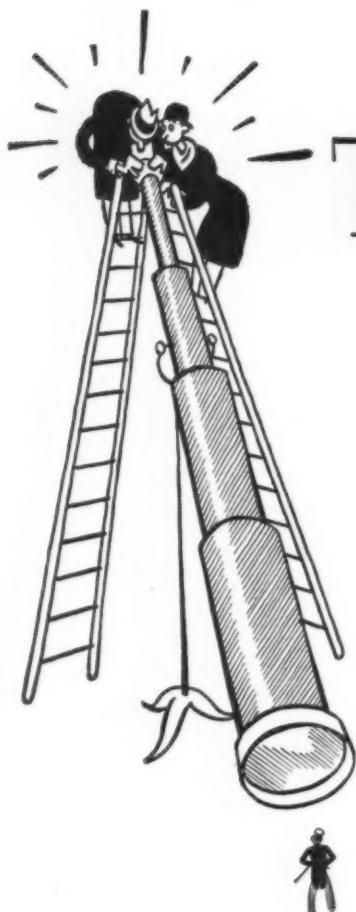
Outdoor Advertising, of course, is only one medium of the many which Lord & Thomas employ in the all-inclusive service which we have rendered for over 64 years. For its most effective use, it should be correlated with other forms of advertising. It is a job that cannot be delegated, or divided among several non-coordinated groups. Markets differ widely—each must be studied as a special case.

Lord & Thomas have a distinguished record for making all kinds of salesmanship-in-print pay rich rewards to advertisers. If you are a national advertiser whose sales reports are not as good as they should be, we shall be glad to discuss your problem with you.



LORD & THOMAS • advertising

*There are Lord & Thomas offices in New York; Chicago; Los Angeles; San Francisco; Toronto; Paris; London
Each office is a complete advertising agency, self-contained; collaborating with other Lord & Thomas offices to the client's interest*



Tell It to Sweeney!

...the ninety percenter

WHEN Congress in its wisdom published private salaries of more than \$15,000, people gasped, gaped and gloated at the known names with the hitherto unknown figures. . . . "Imagine anybody getting as much money as that!"

But nowhere in this wealthiest of countries was there any evidence of surprise at the vastly more significant information that there were *only* 18,000 such salaries. Because 18,000 among 126,425,000 population is the infinitesimal fraction of .0142%—a fraction so small that it can hardly be counted on the country's customer list.

The embarrassment of the victims of the exposé can be matched only by that of the business men who have assumed that their profits come from this small sliver of high incomes.

Any notion, moreover, that these publicized 18,000 get most of the money is plainly ridiculous. Preliminary reports show that income tax returns for 1934 were made by fewer than 4,000,000 people (which includes the publicized 18,000). How much income did the tax-paying four million get? We quote from an article by Charles H. Franklin in the Annual Survey number of the *New York Sun*,

published on January 4, this year:

"The Department of Commerce in Washington has compiled statistics on 'national income' from Treasury reports . . . National income for 1934 totalled \$48,500,000,000. Of that 89.6 percent, or \$43,590,000,000 was unreported in income tax returns because it was distributed among persons who had no taxable income. Roughly, it is income received by those who make less than \$5,000 per year. . . ."

In other words, the untaxed get about 90% of the national income. And whether you produce operas, sell spinach, run a beauty parlor or pass the plate on Sunday—your best contributors are these untaxed and unpublicized millions. They buy most of everything bought, including the things you sell. Their custom supports all businesses. They are indispensable customers. And they should be the first target for your advertising!

TELL It to Sweeney, the ninety percenter. Sweeney is the typical New Yorker, whose income ranges from \$6,000 down. There are 1,500,000 families of Sweeneys in New York City. Congress has never exposed their incomes, but you can find a clue. For instance, on January 1, 1936, the savings banks in New York City had 4,425,019 depositors, with deposits of \$4,047,761,902—most of which belongs to the Sweeneys!

Now four billion dollars is an astronomical figure, but it does represent four-fifths of the income on which income tax was paid in 1934! It would pay the Soldiers' Bonus—*twice*. It would buy all the automobiles made in this country last year and still leave a billion and a half dollars over. All the department stores in the United States will not do a total

volume of business as great in 1936.

This four billion is merely savings—surplus. The incomes of the people who save four billion, the Sweeneys, is virtually incalculable. Incalculable or not, it indicates the first market in the world to look for business. And the buying power it represents is easy to reach—because most of the Sweeneys are available through *one* newspaper!

That newspaper is *The News*, with a circulation in excess of 1,600,000 copies daily and 2,800,000 copies Sunday. *The News* reaches two out of three New York City families, and more of the suburbs than any other New York paper. And it reaches a majority of families in New York's top income districts as well as all others. Its only substitute is several newspapers at a much greater cost.

ADVERTISERS bought 17,800,000 lines of *News* space in 1935, spent more money in *The News* than in any other American newspaper. New York department stores gave it more space and money than they gave to any other paper. News advertising has gained twelve million lines in the last twelve years. So there is no reasonable doubt about the value and ability of this newspaper as an advertising medium.

Is your firm going to spend *enough* this year in New York and in *The News* to get an increased share of business from this first and richest market? The answer to this question may determine your profit showing for 1936!

• THE NEWS
NEW YORK'S PICTURE NEWSPAPER

220 EAST FORTY-SECOND ST., NEW YORK
Tribune Tower, Chicago
Kohl Building, San Francisco

Significant Trends

As seen by the Editors of Sales Management for the fortnight ending March 1, 1936.

TVA—Hope or Threat?

A more clear-cut ruling on the broader aspects of government power projects has been made by the Supreme Court. To date, the threat to private power companies is largely potential, since the combined output of TVA, Boulder and Bonneville power by the end of 1936 will amount to considerably less than 1% of the national total.

• • • And there are many—even business men—who believe there is a great ray of hope in what the government is doing in the Tennessee Valley region. The believers in the Henry Ford formula, that Low Prices and Mass Production equal High Living Standards, Steady Employment and Profits for All, think that they see proof of their contentions in the history to date of the TVA yardstick. Terrific increases have been shown in both electric equipment sales and domestic power consumption. The latter is now more than twice the U. S. A. average.

• • • Advertising received a setback from the U. S. Supreme Court when it ruled that the State of New York could make the consumer pay more for branded than unbranded merchandise. Borden Farm Products, Inc., the plaintiff, argued that the good will built up by advertising would be jeopardized and their business threatened with ruin if a lasting differential in price in favor of unbranded milk was established.

• • • Most economists accept as a fact that advertising by increasing sales and making possible large-scale production and distribution methods actually lowers the cost of production and selling, thus making possible lower rather than higher prices to consumers—but the Court refused to accept this doctrine, at least so far as milk is concerned.

• • • Retailers report that ex-soldiers are finding ways and means to borrow on their coming bonus money, and are encouraged to make installment purchases more freely. One industrial lender estimates that 75% of the veterans who will cash their bonus will spend a good share of the proceeds before June 15, the date for turning in the obligations for money.

• • • Standard Brands has withdrawn from all cooperative and service advertising contracts with independents, voluntaries, retailer-owned groups and corporate chains, according to information sent by the company to the National Association of Retail Grocers. Regardless of whether or not Congress passes the Patman-Robinson or some similar bill a large number of manufacturers are planning to cut down on or eliminate entirely the controversial advertising allowances.

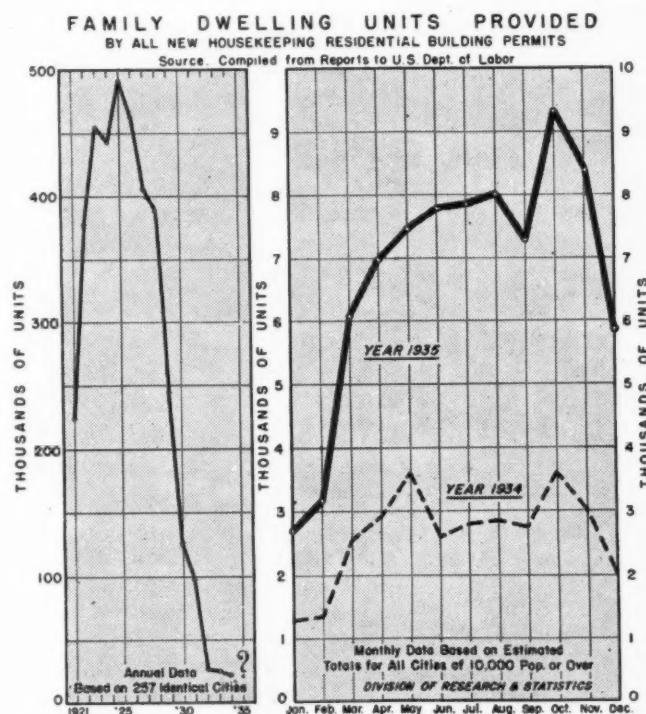
• • • Business *must* be pretty good, for during the first seven months of the government's fiscal year internal revenue collections are up 50 million over the preceding

year despite a drop of more than 250 million in processing taxes.

• • • Betting on the ponies has become Big Business. Betting through pari-mutuel windows at Rhode Island's Narragansett Park during the 72 days of racing last year totaled \$29,890,880. This sum is nearly twice the size of sales in Providence department stores during the full year and the sum was approximately one-fifth the total 1935 factory payrolls of the state.

• • • An analysis of over 400 corporate earnings reports issued since the first of the year shows that more than 70% had earnings increases, and combined 1935 profits (less losses) of representative companies in 27 important lines of business were 48% higher than in 1934.

• • • January sales of 480 department stores in 237 U. S. cities increased 7% over a year ago. The decline from December was more than seasonal, the index (using 1923-25 as 100) decreasing from 84 to 79.



Tremendous gains were recorded last year, percentage-wise, in residential building construction, as shown by the chart upper right. But the slightly more than 75,000 units provided make a sorry comparison with the annual data at the left. In 1925 the total almost touched 500,000. It is now estimated that the total may reach 175,000 to 200,000 this year. The January gain over last year was 70% in dollar volume. Veterans will spend part of their bonus money for housing and Congress may pass a housing measure. Recent White House visitors report that the President at the moment seems more interested in a large scale revival of privately constructed, low cost homes than in any other subject.

Continued Rise in Farm Sales

A Dun & Bradstreet survey reports that the 1936 outlook for farm equipment sales is the most promising in the history of the industry. If the farmers in this country alone purchased even half the equipment they really need the manufacturers would be unable to handle the orders. Based on 1925-1929 volume, D & B estimate that a backlog of a billion dollars in retail sales has been built up since 1930. Manufacturers are now operating at a rate 40-50% higher than last year, and in some of the tractor plants employment is the highest on record.

• • • One of the brightest spots in the retail business picture is the steadily mounting public interest in things for the home, according to a "prosperity goods" survey made by the Northwestern Life Insurance Company. They report the following 1935 percentage increases over 1934: Home furniture, 14.6; electric household appliances, 13; pianos and other musical instruments, 8.6; furs, 23.1; luggage, 16; sporting goods, 11.1; jewelry, 5.9. The survey covered 236 department stores from Coast to Coast.

• • • Sales of 25 U. S. chain stores in January increased 8.1% over a year ago, as follows (in thousands):

	1936	1935	Change
Variety	\$ 59,573	\$ 57,428	+ 4.3%
Mail Order.....	28,218	24,470	+14.9
Grocery	39,739	36,026	+10.3
Drug	7,014	6,750	+ 3.9
Shoe	3,653	3,072	+19.0
Apparel	902	906	- 0.5
Total	\$139,099	\$128,652	+ 8.1%

• • • Population in the U. S. as of July 1, 1935, was estimated at 127,521,000, a gain of 0.7% over 1934, and of 4% over 1930. The diminishing growth is seen from the fact that the average annual increase since 1930 was 904,000, as compared with the 1920-30 average of 1,665,000. Between April 1, 1930, and July 1, 1935, births totaled 12,420,000, and deaths 7,423,000. Over the same period, the number of persons leaving the country exceeded the number of immigrants by 251,000.

• • • A survey by the *American Druggist* called "Are YOU Just Another Product to The Druggist?" shows that the average druggist carries from eight to ten thousand items—but that the 6,300 makers of drug store products produce 105,000 items! No wonder, then, that the druggist becomes an adept at switching. The moral pointed out by the magazine is sound: *The time never comes when you can afford to neglect the people who sell your merchandise.*

• • • The Brookmire Economic Service points to the following cities as having the highest rating for the coming month in opportunities for making sales increases: Akron, Atlanta, Binghamton, Birmingham, Bridgeport, Buffalo, Chicago, Cincinnati, Cleveland, Columbus (Ohio), Dallas, Des Moines, Detroit, Ft. Worth, Grand Rapids, Indianapolis, Los Angeles, Miami, Milwaukee, New York, Oakland, Oklahoma City, Peoria, Philadelphia, Pittsburgh (Pa.), Portland (Ore.), Sacramento, St. Louis, Salt Lake City, San Antonio, San Francisco, Spokane, Syracuse, Toledo, Tulsa, Washington (D. C.), Worcester.

A. F. of L. Boosts Profit System

The current bulletin of the American Federation of Labor makes the following plea for the profit

system: "Shall idle money, machines and men be used to produce goods and raise living standards or will we drift into runaway inflation, ending in a worse collapse than ever? The answer depends on whether private enterprise resumes the task of creating wealth in this country. Thus far industry has been providing only those goods and services demanded by consumers whose income was restored by relief or re-employment. We have had a 'consumer goods' recovery but very little revival as yet in 'producers' goods.' Consumer goods industries are operating at 93% of their 1929 level while the industries which manufacture machinery, steel and other materials and those which construct industrial buildings and equipment are running at only 57% of 1929.

• • • "This is a vital fact in our present dilemma. Producer goods industries normally produce about 25% of our total national output. They employed in 1929 about 6,500,000 men. Today 3,000,000 are idle. If these 3,000,000 were employed they would create jobs for 3,000,000 more in the consumer industries, to provide the food and clothing they need. Thus revival in the producer goods industries could create 6,000,000 jobs. This is the key to recovery.

• • • "What is holding back production in these industries? Their customers are business firms, and business men are not yet sure enough of making profits to invest in new equipment. Although corporation profits have increased greatly since the 1932 low point, they are still not half-way back to the 1929 level. Also, such factors as fear of inflation, fear that Congress will pass laws regulating business or interfering with business, have all tended to delay purchases of producers' goods. Any action, even when it is essential to preserve the economic health of the country or give food to the hungry, will stop the wheels of industry and keep men out of work if it tends to limit profits."

• • • Producer goods, or capital goods as they are more commonly called, are now moving ahead with greatly increased momentum. Mack Trucks, makers of heavy-duty trucks for industrial use, report that January orders were the best in five years; orders for both locomotives and freight cars are coming from the railroads; orders for machine tools rose again last month and the production rate is 69% higher than a year ago.

• • • Savings bank deposits continue to mount, and a quarter of the losses since the high point in 1930 have been regained. New England states continue to show the highest savings per capita. Massachusetts leads with \$578 per person; then come New York, \$531; Connecticut, \$523; Rhode Island, \$474; New Hampshire, \$463; Vermont, \$398; California, \$298.

• • • No changes in the cost of living of wage earners was noted in January as compared with December, according to the National Industrial Conference Board. Food prices are still the least-increased item in the family budget, says an analysis by the Providence *Bulletin*. Based on 1913 prices as 100, food costs 123.9, clothing 146.5, shelter 142, fuel and light 150.4, sundries 152.7, total cost of living 138.6.

Cameras in the Sales Reviewing Stand



Zero Hour: Waiting to go on the air at the NBC Chicago Civic Theatre are Paul G. Hoffman, chairman of the safety traffic committee of the Automobile Manufacturers' Association and president of Studebaker, and J. E. Otis, Jr., president of the Stewart-Warner Corp. Mr. Hoffman, during a regular Stewart-Warner Alemite broadcast, told listeners to drive more carefully.



Come Seven: (Above) Philadelphia's mayor puts his o.k. on the seven millionth Philco which was later presented to him. From left to right: James M. Skinner, president of the Philadelphia Storage Battery Co.; Mayor S. Davis Wilson; Larry E. Gubb, president of Philco Radio and Television Corp. With predictions for larger set sales than in any previous year, Philco officers can well afford to chime in heartily when Boake Carter says "Cheerio!"



Facsimile: At left is a faithful reproduction of J. V. Kirk, who has been appointed sales manager of the Addressograph Co. division of the Addressograph - Multigraph Corp., Cleveland. He's been with the organization since 1923.



Birthday: (Above) H. S. Vance, chairman of the board of the Studebaker Corp., snips the ribbons that hold up the assembly line. After the barrier was cut, the line moved on and the first car in Studebaker's 85th year of building transportation rolled off. It is a "President Cruising Sedan" and will be given to the "most faithful Studebaker owner." A search is now on for that person.



D. S. C.: William H. Johns, chairman of the executive committee, BBDO, receives a gold medal for his "distinguished services to advertising" from Annual Advertising Awards. That board continues the work of the Harvard Advertising Awards, founded by the late Edward W. Bok.

Celebrating: On February 28 Cities Service gave its 500th broadcast over NBC-WEAF with Jessica Dragonette (here posing for Sculptor Max Kalish) singing the lead. It is the oldest full-hour program on the air.





A. J. Long, Jr.

SALES of Nash custom tailored clothes have increased consistently each season for the past three years and are still increasing, the rate during the first few weeks of the current season being fully 100% greater than during the corresponding period of last year.

Our average unit sale has increased approximately \$5 and the trend is still definitely upward.

The number of garments delivered without alteration has shown an amazing increase and the number of rejections a corresponding decrease, indicating greater customer satisfaction and materially reducing costs.

This greater customer satisfaction is even better indicated by the fact that our repeat business has increased from 25% prior to 1930 to over 60% at present. This is the average for all salesmen; some individual salesmen get almost 100% repeat business. During the past two years alone we have paid our salesmen \$750,000 in commissions and bonuses solely on repeat sales to the 132,000 new customers added during that time.

The character of our clientele has also improved greatly and is now the highest in our history. As a single example, a check of one big-city newspaper society page revealed that of 30 prominent local men mentioned nineteen were Nash customers.

Net profits have kept pace with these improvements, as is indicated by the fact that we recently paid a cash dividend—the first in four and a half years.

These are just a few highlights of the progress made by The A. Nash Company during the past few years. This progress has of course been due

Major Changes in Sales Policy Bring Dividends Back to A. Nash

BY A. J. LONG, JR.

*Sales Director,
The A. Nash Company, Cincinnati*

to many things, chief of which are:

A better product, better service, better personnel, better sales training, better supervision, better advertising and more of it.

As the reader is probably aware, the death of Arthur Nash tended to disrupt the remarkable organization which he had built up. This was followed soon afterward by the crash of 1929, and a rather thorough reorganization became necessary. Mr. Nash was succeeded as president by A. P. Harmon and, in 1929, W. H. Albers came in as chairman of the board.

As a part of the reorganization plan it was decided to concentrate more on urban trade, since about 75% of our business was being done in rural districts. Our woolens were good, but there was room for improvement in style and tailoring to meet the more exacting demands of city dwellers. New talent was brought into the factory and much time and money were spent in improving the product, with emphasis on style and tailoring, before turning to merchandising.

The one-price line was expanded to appeal to different classes of customers. We now have five price groups, ranging from \$22 to \$45, and are following a consistent policy of trading up. Salesmen are urged to sell the very highest classes of men in their territory and that they are doing so is proved by the rapidly growing list of bankers, brokers, professional men, judges, statesmen, and others who have become Nash customers.

Service came next. Service facilities in our 60 branches were improved and expanded; service employes were given special training; closer contact with the factory was established; sales-

men were given instructions for taking measurements, and a system of anticipating service requirements was inaugurated. Complete satisfaction is positively guaranteed. We are more careful to get the correct measurements and to make the garments right in the first place, hence alterations have been greatly reduced and rejections have become insignificant.

Nevertheless, when you consider that every Nash order is hand-cut, one at a time, and individually tailored for some customer, it is not unreasonable to expect that some alterations must continue to be made, particularly for new customers. But when we do have to make such an alteration, we guard against repetition of the same mistake. A copy of the alteration ticket is sent to the factory and filed. Then when the customer orders another garment, we pull out this ticket and compare it with the order to see whether the previous fault has been allowed for. Perhaps one customer has to have a shoulder or the collar raised or a button moved. In any case, we endeavor to anticipate his special requirements and to make his next garment right in the first place. That pleases him and saves us money.

Where an unusual amount of service work is noted at any one branch, a factory expert pays it a visit, discovers the cause and corrects it.

With our product and our service right, and well-fitting clothes being delivered, we were prepared to turn our attention to merchandising. A close study of selling methods and of sales supervision was made. Detailed, written reports of actual presentations made by our salesmen were secured. The salesmen themselves were ap-

These Revitalized Sales Methods:

1. Improvement of the product—men's clothing
2. Employment of higher-type salesmen
3. Intensified sales training
4. Expansion of advertising
5. Concentration on urban trade
6. Widening of price lines and emphasis on trading up
7. Inauguration of closer supervision of salesmen and more detailed sales control methods

praised. Surveys were made to determine the attitude of customers toward the product, the service, and the representatives.

Great changes had taken place and only those who could grasp the new situation and adapt themselves to meet the new requirements were qualified to remain in the organization. Only about one-fourth of the branch managers have survived and about the same percentage of salesmen have met the test.

Fortunately, conditions were especially favorable for making changes at that time. Many high-caliber men were unemployed through no fault of their own and we were able to choose very carefully. We have in our sales organization now a large number of men who formerly were major executives of big companies, drawing \$5,000 to \$15,000 a year, as well as many professional men and others of high type.

We are also fortunate in this respect in that we operate 60 branches in as many different cities. Our branch managers are in touch with leading men in those cities, who send many desirable salesmen to them. In addition, we employ seven field managers who hire, train, and supervise salesmen in territories where we do not operate branches. These men report direct to the factory.

There is bound to be a considerable turnover in an organization of 2,500 salesmen, however; hence we advertise regularly for salesmen, particularly at the beginning of each season. But we do not make extravagant promises or claim that the salesman who has failed at everything else can make a great success with us. We use dignified, conservative, display copy in

Our designer spends much time in visiting the branches for the dual purpose of instructing the branch tailors and of familiarizing the salesmen with new styles and other features of our product. This is of paramount importance in selling, as our designer can always give the salesmen many helpful pointers, as well as explain the reasons for our styles and other features. It gives the salesmen greater confidence, also, to know whereof they speak when they discuss styles and tailoring with a prospect. Nothing of this kind had ever been done until about two years ago.

Every salesman receives a bi-weekly sales bulletin containing sales pointers, technical information, a discussion of business conditions, reprints from publications, and other helpful materials. In this connection, we order reprints of 15 or more articles a year from SALES MANAGEMENT and send them to all our salesmen.

Produced These Concrete Results:

1. Registered a sales increase every year since 1932
2. Lifted average unit sale about \$5
3. Increased repeat business from 25% to 60%
4. Raised quality of clientele
5. Cut down by a wide margin complaints, adjustments and alterations

salesmen's magazines and some classified ads in newspapers, all calculated to appeal to the higher type of salesmen. Applicants are carefully investigated and those who are accepted are given a thorough course of training before they are permitted to go out and represent us.

Our present sales training course is based on two manuals—one on "How to Take Correct Measurements," the other on "How to Sell Nash Tailoring,"—supplemented by other aids. These were new in the industry when introduced and are still considered the best in the tailoring business, but we are planning further improvements.

That our present course is effective, though, is best indicated by the fact that sales made by new salesmen during the past season were the best in our history.

Sales supervision is much closer and more helpful than formerly. Prior to the reorganization, branch managers conducted their business with little or no assistance from the factory. Now we undertake to work in close cooperation with them and to direct their efforts in line with factory policy. Among other things, we now require that they hold a sales meeting every Monday morning and that they follow a prescribed course of procedure. Each manager is furnished a weekly bulletin outlining the program and providing much of the material to be used. Included are sales ideas, technical and seasonal information, news, a digest of current events, an outline of business conditions, and helpful suggestions. All such material is selected with care and is authoritative. The

(Continued on page 339)

Sears' Redesigned Coldspot Sets Industry's Tongues A-wag

MUCH in the limelight during the past fortnight through large space newspaper advertising, the new Coldspot refrigerator, designed by Raymond Loewy, for Sears, Roebuck, has gathered unto itself all sorts of rumors.

First rumor: That Sears is giving rights to sell the refrigerator to one big department store in every city. Not true. Gimbel's is handling the Sears washing machine and the Sears refrigerator in New York because Sears has no suitable big outlet of their own in that city. "It is a courtesy arrangement," a Sears official told SM, "and no other such arrangements are being planned for other cities so far as I know."

Second rumor: That sales on the predecessor model to the present Coldspot (also designed by Loewy) jumped Sears' refrigerator sales during 1935 to fourth place nationally. Probably true. Every tenth refrigerator sold last year, authentic sources tell us, was a Coldspot.

Third rumor: That the newly designed Coldspot which has recently come on the market has created already a one, two and three weeks' all-time sales record for Sears, Roebuck. Don't know. Company officials will not make a statement, but it is known that the new boxes are selling with exceptional rapidity.

Sears Gets Outside Help

Last year Raymond Loewy was retained by Sears, Roebuck to design a refrigerator—the first time, it is said, that a mail order house had turned to an independent designer in the matter of refrigeration engineering. The box was a radical departure from anything this company had ever done and it placed Sears definitely in the front ranks among refrigerator merchandisers.

Executives of another organization might have been content with the 1935 product, at least for another year's sales effort. Mr. Loewy, however, advised that the 1935 model be abandoned in favor of another which had no connection whatever with the older one in design treatment.

In designing the Coldspot, Mr. Loewy told SALES MANAGEMENT he used the same method followed in the development of previous models. A first sample was modeled in clay at the Chicago offices of Sears, Roebuck and

developed in conjunction with H. D. Price and his assistants. The clay model, made in actual size, was then photographed from different angles in order to get an accurate idea of high lights, low lights and shadow areas.

A new type of shelf which is one of the outstanding features of the new refrigerator (see illustration, page 302) is an adaptation of the automobile radiator-grill principle. This is the first time, said Mr. Loewy, that aluminum has been used for shelves, and the idea is exclusive with Coldspot. The shelves are guaranteed rustless, very strong and they offer a perfectly flat surface.

After the modeling of the first clay sample, the next step was the manufacture of an experimental sample made of metal following exactly the contours of the clay model.

"Every detail of the new refrigerator," Mr. Loewy pointed out, "was thought out with infinite care and thoroughness. For instance, the nameplate alone was selected after more than one hundred different designs had been prepared. Its location on the door is not arbitrary. Though representing the

signature of the manufacturer, it likewise has a definite functional purpose. It is located where the hands come in contact with the door when it is being closed, and the extremely hard enameled surface of the emblem, which is practically scratchproof, protects the surface of the door at this point. The mechanism of the sliding storage drawer is another result of ingenious and careful development—a slight push on the front end and it noiselessly and gently slides back automatically to its closed position."

The taste of the American public, Mr. Loewy feels, has evolved very rapidly during the past few years toward a keen appreciation of clean-cut and simple design. Tricky decorative schemes are out forever and from now on no designer can afford to underestimate the public's discrimination when it comes to beauty of lines. "While the trend during the past few years has been in the direction of plainer treatment," the designer pointed out, "we must not forget that the commercial success of a product depends upon more subtle facts than just simplicity. Simplicity alone may easily be just trite, chaste, and uninteresting. The good designer injects an indefinable factor which we might call 'personality' and still retains an ultra simplified appearance."

"Gloves Designed for Your Hat" Help Meyers Cover Naked Hands

THE proportion of men who wear gloves—as even *Time* has found among its readers—continues rather low. What men wear when they don't wear gloves, goodness knows. Maybe they wear mittens. And even when they do wear gloves (we are speaking now of the colder months, because the hands of virtually all men go stark naked at other times), they usually wear and wear and wear them, the glove people say, without thought of style or even of fundamental neatness.

Louis Meyers & Son, Inc., New York, perhaps the largest manufacturers of gloves for men, women and children, have long sought to overcome masculine callousness in this respect. For their consumer advertising and sales promotion this Fall they have worked out a plan which they believe will do it.

The plan is based on "combination sale" and "trading up." If shoes can help to sell socks, and shirts can help to sell ties, reasoned President Wallace E. Meyers and his associates, why

could not hats be used as a device to sell gloves?

There is, they thought, something ham-and-eggish about hat-and-gloves. You put them on and take them off together. They are, together, the final touch of the well-dressed man—covering two important extremities.

So, in cooperation with Advertising Agent Edwin M. Phillips, of Phillips, Lennon & Co., the Meyers people designed three styles of gloves, each to fit a particular type of hat. For a snap-brim hat there is a "snap-brim" glove, with full-length stitching on back and a vent at the sleeve to give a snap-brim effect. For a Homburg hat, Meyers presents the York Homburg glove, dressier than the snap-brim, with a wide hem which gives, it was said, "nonchalant comfort." Even more formal is the Kent bowler glove for your derby, with special spear-points at the finger tips. The three names have been registered at the Patent Office.

The "trading up" part of the plan is in the fact that these styles have

been created to retail at \$4 to \$5. Additional business also may come from men who boast two or three types of hats and must have gloves for each. (The bowler glove is grey mocha; the others come in a choice of pigskin, mocha and capeskin.)

Manufacturers of seven leading hat brands, it was pointed out, already have agreed to promote the idea in their own advertising, and Meyers is preparing to back it with the "biggest men's glove campaign since 1929."

Dealers Favor the Program

The gloves and the idea are now being shown to dealers throughout the country (who are said to be strongly for it) and it will be promoted in trade papers beginning with March issues. The consumer campaign will run through the Fall and early Winter in three general magazines read primarily by men, and possibly in newspapers. Newspaper advertisements for dealer use also have been prepared and will be supplied to them.

A sales prospectus, "Creating Two Sales Where Only One Existed Before," is just off the press. Three displays have been prepared, one for each type of hat-and-gloves, as well as a series of six little stand-up "tent cards" for showing hat and gloves together. All proclaim the marriage. The snap-brim cards are headed, respectively, "Perfectly matched" and "A grand pair"; the Homburg, "A happy duo" and "A smart combination," and the bowler, "A winning twosome" and "Two of a kind."

The plan, said to have been originated by Agent Phillips, has been in the making for two and a half years.



Newspapers, magazines and store displays will convey this message in Meyers' effort to match hats and gloves.

MARCH 1, 1936

Newspapermen Gather in Chicago at Tribune "Color Conference"

MORE than 100 publishers, editors and mechanical experts from approximately 50 newspapers met recently in Chicago where, as the guests of Col. R. R. McCormick, publisher of the *Tribune*, they held what might be called a "color conference." It is probable that the *Tribune* has spent more money, and succeeded in greater measure in color printing than any other paper in the world.

The guests, seeking information, represented newspapers in the larger cities of the nation. After the meetings they visited the *Tribune* plant where they saw plates being made and the color presses in operation.

W. J. Byrnes, director of the *Tribune's* publicity and business survey department, gave some vital facts on the rising tide of color in American newspapers. His figures follow:

Out of 1,776 daily newspapers in the United States 524 now offer color service in some form to advertisers. This, broken down, is as follows:

Newsprint, run of paper, 328, or 18.5%
Comics, 238, or 13.4%.

Magazine color, 191, or 13.4%.

Coloroto, plant printed or purchased, 141, or 7.9%.

Fifty-one papers whose figures were available ran total advertising in the last two years as follows:

1934	4,332,707 lines
1935	5,612,000 lines

Forty papers sold color, run of newspaper:

1934	2,330,587 lines
1935	2,922,777 lines

Twenty-five papers sold color, in comics:

1934	1,796,632 lines
1935	2,392,707 lines

Eleven newspapers sold coloroto:

1934	101,515 lines
1935	208,552 lines

Eight newspapers sold magazine color:

1934	103,971 lines
1935	88,753 lines

The loss in magazine color, it was pointed out, was probably due to the striking advance in other forms of color.

W. E. Macfarlane, business manager of the *Tribune*, urged the necessity of producing good color printing for advertisers at the lowest possible cost if its use is to be speeded up. He said that four-color printing was probably "the final answer."

Col. McCormick told the meeting

that he believed the interchange of knowledge and the interchange of technical information, such as the *Tribune* was fathoming in this conference, would be of much benefit to the entire newspaper field. Color, he said, will be more successful as it improves. Fresh appeals in advertising, he added, are necessary for growth and expansion.

Howard Davis, business manager of the *New York Herald Tribune*, former president of the American Newspaper Publishers' Association, said:

"Studies have shown that 82% of the men and 85% of the women read the rotogravure sections, which are the best read sections of the Sunday newspaper." He urged color as something to attract attention to the other sections.

Agency Men Endorse Color

John W. Hansel, vice-president of N. W. Ayer & Son, Inc., said:

"We have used color rotogravure effectively to advertise many lines. Magazine advertisers demand good color. Two-thirds of the large advertisers use color. Rotogravure, with color, is bound to succeed."

"We realize the value of color so much that we have been great users of newspaper color advertising. We shall be still greater users as newspapers improve and enlarge their color facilities."

Paul E. Watson, vice-president of Ruthrauff & Ryan, Inc., showed a series of "old" and "new" advertisements to illustrate the sweeping changes that are coming. He explained:

"Formerly national publicity copy talked of things rather than of people. Color was considered from the standpoint of art. The big volume of color advertising today is of a different nature.

"Many large advertisers are now buying continuity in color and are creating new responsibilities for publishers. Few national advertisers have an even spread of business. They have low and high spots. Newspaper color may have a definite application in solving this problem."

Technical experts on the *Tribune* staff discussed the mechanical problems of color printing, using color pages and charts to emphasize their points. The conference was the first of its kind ever held.



On Your Mark: Visitors to Caterpillar Tractor Co.'s plant at Peoria line up for a toy race between North Dakota and Nebraska delegates. Some 1,500 county commissioners, highway superintendents and earth-moving contractors inspected the firm's exhibit of Diesel and gasoline tractors, road machinery, and the earth-moving and agricultural products of numerous allied manufacturers. Special Pullmans carried delegations from as far as Arkansas, with others from nearby states. All were feasted, entertained and shown through the factory. Movies and the actual machinery were explained to them for two days of mingled fun and education.

A Dozen Shots from the Market Picture Gallery



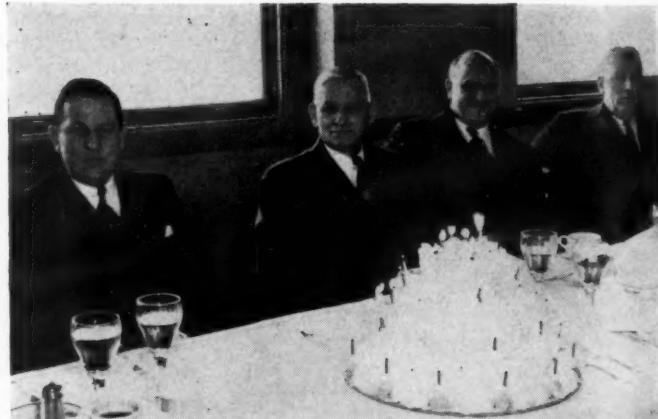
Pach Bros.

Rising: (Left) W. F. Arnold becomes assistant general sales manager of Underwood Elliott Fisher Co. A one-time a.s.m. of the Dalton Adding Machine Co., Mr. Arnold has been s.m. of U.E.F.'s adding machine division since 1928.

Conditioner: (Below) D. G. Spahr is made eastern division manager of Deleo-Frigidaire Conditioning Corp. with headquarters in New York. Deleo Appliance heating and Frigidaire Corp. cooling equipment were recently merged to offer year-round air comfort.



Researcher: (Above) Advertising Research Foundation has become a joint effort of the A.N.A. and the A.A.A.A. with Lee H. Bristol, of Bristol-Myers, as chairman. Richard Compton, of Blackman Advertising, Inc., is vice-chairman. Other members include representatives from advertisers, agencies, and both organizations.



Community Cake: (Above) South Bend civic groups and Studebaker officers joined in celebrating the motor company's 84th birthday. The Retail Merchants Association presented the cake. Left to right, President Hoffman; Mayor Geo. W. Freyermuth; H. S. Vance, Studebaker chairman; Geo. Firmin, secretary of the Chamber of Commerce. (Below): Among newspapermen attending the Color Conference at Chicago were, left to right, J. Carr Gamble, Edwin Evers and Wilson Condict, all from the St. Louis *Globe-Democrat*. See story on page 287.





Melody Awheel: (Above) Walter H. Dyer joins Stewart-Warner Corp. as s.m. of the auto radio set division. He was for years v.p. and sales director of the U. S. Radio and Television Corp., Marion, Ind.; more recently director of General Household Utilities Co., Chicago.



Flying Types: (Above) Representatives of American Type Founders Sales Corp. prepare to take off from Newark airport after a three-day sales conference in Washington, D. C., and in the home office at Elizabeth, N. J. Bound for Chicago are, left to right, J. A. Johnson; C. M. Foss; C. Dietrich; W. Plattner; Sales Manager F. C. Hicks; J. Salek—all of the Illinois headquarters—and A. C. Arnesen of Elizabeth. The photograph is by courtesy of United Air Lines.



Charm Girl: (Left) Evelyn Kay is concert mistress of the "Hour of Charm" on the CBS network Sunday evenings. The 21-year old lass acts as Phil Spitalny's assistant in managing the all-feminine orchestra. They sing and play in the interest of Zotos method of permanent hair waving. Obviously it is no cinch to be a member of the orchestra. One must have voice, musical ability and good looks. See "Advertising Campaigns" for further details.

For Model Makers: (Right) Russia Cement Co.'s display card is double scored across the face so as to fold over to more compact shipping size and at the same time protect the tubes in transit. Boy and grown-up plane makers are buying the glue briskly since hobbies are currently popular. Forbes Lithograph Mfg. Co. produces the card.



Exporter: (Right) Because of increasing trade with foreign countries, General Shoe Corp. sets up an export division with John Ball as manager. He has been with the Jarman Shoe division of the corporation for five years, speaks several languages, and has dealt with overseas outlets for a long time.

Pontiac Big Chief: (Right) C. P. Simpson succeeds A. W. L. Gilpin (who resigned because of illness) as general sales manager of Pontiac Motor Co. Southwesterner Simpson bossed Pontiac western sales last year when Pacific sales tripled and southern sales doubled. He "adapted himself to central office procedure more quickly than any sales executive in my experience," praises President H. J. Klinger.





Ewing Galloway

The star salesman who has methods of his own—who is everlastingly stunting and inventing freak sales approaches—and getting away with them—is the sales manager's "problem child." He is a highly valuable man, but he requires a peculiar kind of management

B Y

**JOHN ALLEN
MURPHY**

The Show-Boy Salesman— Rein Him, or Let Him Run?

IS there a place for showmanship in the selling world? This is a question with which sales counsels frequently have to deal. We are called in by the management of companies and given an assignment that runs something like this: "Our sales manager is essentially a showman, and many of his salesmen have the same failing. These fellows are a bunch of opera singers. They are not amenable to discipline. They work or they loaf just as they please. They are always violating company policies. They seem to take pride in flouting organization practices. We'd fire the whole caboodle of them in a minute, but the trouble is that they bring us most of our business and we can't get along without them. Isn't there some way that we can take the temperament out of these birds and make them better organization men, and at the same time not spoil them as salesmen?"

The answer to this question is always

a loud and resounding "NO." Any company that has capable showmen on its selling staff ought to get down on its corporate knees and thank the Deity that reigns over salesmen for His favor. Such men are hard to find. Salesmen can be made, but showmen are born. Almost anyone can learn to be at least a fair salesman, but showmen inherit their gifts from their forbears. So if you are fortunate enough to have men with such rare genius in your employ, for Heaven's sake do nothing to cross your luck.

On the other hand, we must concede that the criticism that is made against these showmen-salesmen is usually justified. As a rule they are poor organization men. They are not good team-workers. They often have a disturbing influence on their more commonplace associates. Certainly they should never be used as patterns on which to mould the other men.

Can these two divergent elements in

a sales organization be made to work harmoniously? Bringing about a reconciliation between these opposite types used to be regarded as an almost impossible task. In recent years, however, a number of companies have been quite successful in overcoming this difficulty. Strange as it seems they have been able to get race horses and draft horses to pull together as a team.

The first thing for management to realize is that the showmen in its employ are not freaks or irresponsible enthusiasts. As a rule they are splendid business men. They usually make considerably more money than the garden-variety of salesmen. I know one showman whose income during the last ten years has been eleven times larger than the average income of the other fifty-odd men on the staff, and yet he is working on the same basis of compensation. The company wisely permits this man to use his own methods. Neither does it ask its other

salesmen to try to use the star's system. There is no jealousy in the organization. All the men feel they have the same opportunity that the showman has, and concede that he outclasses them to such a vast extent that he deserves his large earnings.

Showmen use a style that is so highly individualistic that it can be used successfully only by its originator. The best salesman I know is this type. He called on a Baltimore manufacturer one evening about five o'clock. At the time he was selling an office system of such a revolutionary nature that, as a rule, only the head of the prospect company had authority to buy it. My friend (let us call him Fred) asked to see Mr. Wilson, the president. At this juncture a man was passing through the reception room, carrying two grips. He stepped up to Fred and said, "I'm Mr. Wilson. What can I do for you, sir?" Fred then introduced himself and stated the object of his call.

Daring Sales Tactics

Mr. Wilson listened courteously and apologized, "I'm awfully sorry, sir, but I'm on my way to keep a dinner engagement at the hotel, after which I'm going to Chicago for a two-week trip. The next time you are in town drop in to see me and I'll arrange to give you all the time you want."

Fred stiffened and declared tartly, though smilingly, "Mr. Wilson, you are not going to keep that dinner engagement, and neither are you going to Chicago tonight. My proposition is much more important."

Wilson naturally flew off the handle. "I'd like to see you stop me, you ignorant, presumptuous, conceited ass," he roared.

"Just the same that is what I am going to do," countered Fred.

At that the president made an attempt to rush past the salesman, but Fred blocked the door. Enraged, Mr. Wilson picked up a chair, and attempted to force his way through, but Fred, having been an All-American tackle a few years before, easily warded off the blow. The prospect was pantingly contemplating his next move, wishing that he had a gun handy, when Fred suddenly became a picture of woebegone humbleness.

"Please excuse me, Mr. Wilson," he said. "I thought you would see that I was trying to be funny and I didn't think you would take me seriously. Do you suppose I am fool enough to try to keep you from your dinner engagement or from going to Chicago? I don't seem to be able to resist playing practical jokes, though I am cer-

tainly old enough to have more sense. I'll do anything if you'll forgive me. I have my car out in front. Won't you permit me to drive you to your hotel?"

At that Mr. Wilson replied, "I'm the one that should apologize. Any-one should have been able to see you were joking. I can't excuse myself for losing my temper in that way. Come on into my office and let me hear your proposition."

An hour or so later when the president reached his dinner party, Fred was one of his guests. He was unusually gay and entertaining that evening, as he could well afford to be, as one of the largest orders he had ever taken was reposing in his pocket.

If that were an exceptional incident, it would not be significant enough to tell. It however, is typical of Fred's selling methods. He has pulled stunts of that sort hundreds of times. Probably no two of them were exactly alike. He tells me that he makes up his presentations impromptu, to suit the peculiar conditions he is encountering in that particular approach.

Race Horses vs. Plough Horses

This man is today general manager of his company. His daring, imagination, resourcefulness and driving power are making him an exceptionally successful executive. He still does a bit of selling, where there is a tough customer to deal with, or a large order is at stake or some other unusual situation is up that can be handled only by the general manager's superb showmanship.

He never lets any of his salesmen witness these exploits. He says it would demoralize them and give them the idea that they should be selling as he sells. He is emphatic in his belief that no one can be successful in selling if he imitates someone else. He says all salesmen should use their own methods, and is opposed to any system of sales management that attempts to pour men into a standard mould. Most significant of Fred's policies, however, is that he has a sales manager who is the very opposite of himself—the kind who sees that the salesmen stick pretty close to accepted sales practices, even though they are allowed to use their own methods in doing so.

Sales managers used to be promoted from the sales force. The star salesmen generally got the job. This custom still prevails to a great extent, although it is dying out, as it is now felt that the ability to sell is not the most essential qualification of a sales executive. In the old days, however, the sales manager had to be able to

sell circles around any of his men. He had to be able to go out at any hour of the day or night and close orders that no one else in the organization could get.

I numbered among my dear friends a sales manager of this school. For several years he had been trying to get his line of work clothing into the British Isles. He sent several of his own salesmen to England on different occasions. He tried to sell through resident representatives. He gave his agency to exporters. But despite all these attempts to sell them, the British would have nothing to do with this newfangled Yankee clothing.

At last my friend decided to take a fling at the job himself. At first he had no better luck than his representatives. He couldn't even get in to see the buyers. They would not see him without an appointment, and it was impossible to get an appointment. He had set his heart on a certain mercantile institution. Dozens of trips to this house had done no more than let him know which office the managing director occupied, the only man in the place who had authority to entertain his proposition.

The Stunt Artist

One morning, accompanied by a burly helper, he showed up bright and early with a suit of work clothes. He hung around unnoticed until he was certain the managing director was at his desk. Then he grabbed one pants leg and his helper the other. Pulling violently in tug-of-war fashion they pushed past the astonished clerks and reached the presence of the director without being stopped. There they continued the war, oblivious to the amazed official. Finally he sputtered, "What's this, my good men? What strange behavior, I say!" This gave the sales manager a perfect opening. He replied, "It's the strongest work pants in the world. See, it can't be pulled apart." Then they started the tussle again, straining harder than ever. The director began to watch as though he were witnessing a sporting event. The net of the story is that my friend got a nice initial order and succeeded in opening the relationship he had been trying to establish for years.

This man was a stunt artist, but his stunts usually brought back the most expensive part of the porker. He considered it his primary job to get business. He figured that he was sales manager because he could get business himself better than could any of his men. Most sales managers of that period were merely star salesmen, who

(Continued on page 341)

B Y D. G. B A I R D

The piano industry needed only a new sales appeal to revive the interest of buyers. Baldwin sales are steadily growing under the impetus of advertising which begs parents to give children a proper chance for artistic expression.



Baby Bait: This appealing photo is one of many, all of children at the piano, used by Baldwin in a long series of educational ads which helped piano sales by urging parents to "Give Your Child This Chance."

Radio, Once Bane of Piano Business, Proving Its Boon

JUST at the time when many thought the Depression was about to add the *coup de grace* to the piano business—already groggy as a result of such new forms of competition as the radio, the movies, and the changed habits of the people—the Baldwin Piano Company, Cincinnati, largest manufacturer of pianos in the world, was inaugurating a program that turned its sales curve upward during the very worst of the period and has kept it climbing ever since.

The accompanying chart indicates the results graphically. Note particularly that Baldwin's sales continued to rise during the second half of 1933, when general business was suffering from its over-indulgence of that Spring; that sales were still higher in 1934, in spite of the drought, labor troubles and other hindrances, and that the rate of increase was even more marked in 1935. Sales during every month of 1934 except one were higher than during the corresponding

months of 1933. In 1935 they rose over 34's every month except two. The total gain for 1935 was 21.6% over 1934.

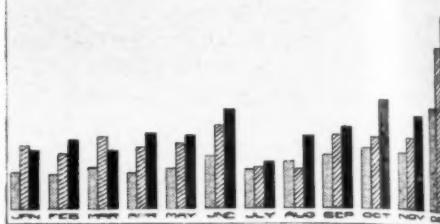
A slogan turned the tide. The appeal was to one of the strongest of human emotions, the parental instinct, and it proved its effectiveness then, as always.

"Give Your Child This Chance," Baldwin urged, and parents responded. They weren't buying much of anything else at the time, but they could be and were persuaded to buy pianos for their children.

The slogan was used as the caption of each of a long series of educational advertisements and is still being used in many ways. Following the slogan in each advertisement, in bold type, was a statement of some one of the many benefits attributed to study of the piano.

Such study, readers were told during the series, becomes self-expression; leads to pleasant companionship and a happy life; brings popularity; de-

SALES - 1933-1934-1935



"Excelsior": No bad business "conditions" have interrupted the steady climb of Baldwin sales. The reasons: Advertising, merchandising, new designs.

velops a clear mentality, individuality, self-confidence, mental alertness, strength of character, and personal charm, poise and grace; arouses ambition and creative ability; improves the mind; contributes to success at college; makes for business and social success.

A photographer was employed to secure action photographs of children at the piano and some of the most appealing of these were used to illustrate the ads.

Other advertisements stressed the practical features of the art, pointing out that piano playing is a profession that compares favorably with many others, and citing examples of child prodigies who right now are earning large incomes on the concert stage. One of these, only eleven years old, was said to have an income of \$75,000 a year.

But while the emphasis throughout was on giving the child a chance, adults were not entirely neglected. They were assured that they were not too old to learn to play the piano, were furnished opinions of prominent people on the subject, and were told of the many advantages of being able to play. When, for example, John Erskine published an article in *The Rotarian* (December, 1935) under the heading, "You're Not Too Old to Play the Piano," Baldwin secured reprints and distributed them.

Meanwhile, Baldwin executives were proving their faith by their works. It was in 1932 that they introduced the "Baldwin Masterpiece," to sell at \$975 and up—and it sold. They also brought out a Masterpiece baby grand, only 5' 2" wide, which is said to be the first of its kind in America—an exceptionally small piano in an artistic line.

They added 170 outlets to their sales organization in 1933 and are adding still others.

In 1935 they introduced what is characterized as a new type of piano, known as the Baldwin-built Howard Acrosonic. It is said to incorporate

many new and sensational developments, yet it sells at a popular price.

In addition to its Baldwin and Howard lines, this manufacturer also produces two others under the trade names of "Hamilton" and "Monarch." The four lines together constitute an exceptionally wide variety and provide a price range of \$285 to \$2,740 for stock models.

The advertising and merchandising plans for 1936 have been greatly expanded over the previous year. National advertising is currently appearing in eight magazines: *Good Housekeeping*, *House and Garden*, *National Parent-Teacher*, *Household Etude*, *Better Homes and Gardens*, *The Country Gentleman*, and *The Country Home*.

Every advertisement carries a coupon inviting readers to send to the factory for a booklet entitled "Planning for Your Child," and for complete descriptive material on the piano advertised. The sub-title of the booklet is, "How Piano Study Helps to Create School, Business, and Professional Success" and its contents are much the same as the advertisements described above. Inquiries, of course, are turned over to dealers.

Dealer helps this year include a newspaper mat service, a monthly window poster, direct-mail material, radio continuities, contests, envelope stuffers and hand-out literature, and special promotions. The entire campaign for 1936 is being merchandised to dealers by salesmen equipped with a suitable portfolio presentation.

How Radio Aids the Piano

In the meantime, the very developments which for a while threatened to destroy the piano business have come to its assistance, according to Baldwin officials. Instead of destroying ambition and desire to learn to play the piano, they say the radio and motion pictures have stimulated such ambition. Seeing and hearing professionals play arouses the listeners' desire to play also, and the widening field of entertainment appears to offer greater opportunities for those who contemplate a professional career. It is said that the amateur programs which are so popular on the radio networks just at present have had a very helpful influence in this respect.

Add the "return to sanity" and home life on the part of a majority of the American people and one begins to understand why the piano industry probably will survive for some time to come—and why more children than ever before, 1,500,000, are now studying that instrument.

MARCH 1, 1936

The Scratch-Pad

Japanese militarists would be deflated to learn that their imperial ensign, in Philadelphia, means "Skating Today."

* * *

Vernacular slogan for Drano: "Keep It Clean!"

* * *

Wonder if anybody is ever fooled any more by that old come-on: "We are reserving a copy in your name."

* * *

"Just my frowsy luck—another run," says a Lux headline. I'd like to bet it was originally submitted as "lousy luck" and I assure Lux it would have been better to let it ride.

* * *

To the tax-payer, it's "the moribund life."

* * *

I don't know who writes Patsy Kelly's lines, but I had to grin at her reference to Paul Vitamin and Cab Calorie.

* * *

Maxwell Droke has been strangely silent. One of these calms that precede a storm. He's probably fixing to let me have a snowball just back of the left ear. Such a pleasant-looking fellow, too.

* * *

Cleveland and Philadelphia may be easily located on the political map this year by looking up the longitude and platitude.

* * *

In the deep South, it may be known as coondoggling.

* * *

We were keeping our little niece Barbara over night so that her mother and daddy, themselves still kids, might have a long-deferred fling in town. In saying her prayers, this starry-eyed modern, aged 6, got off to a false start by saying her table grace but quickly recovered, as follows: "For what we're about to receive . . . skip it . . . Now I lay me down to sleep. . . ."

* * *

A lot of long-winded copy might be improved if the editor of *Reader's Digest* would consent to boil down to essentials.

* * *

J. V. Grady thinks the Todd Protectograph has "checks appeal." And that Baume Bengué is "the balm for illy heads." Ho, hum!

* * *

The punning habit is pretty insidious. It'll get you if you don't watch out. Six years ago I perpetrated "Abyssinia" (for "I'll be seein' yuh"). It spread like poison ivy, and is still rising to mock me.

* * *

Suggested brand name for a table salt—short, pronounceable, meaningful: "Flo."

* * *

I have long felt that the typewriter people are overlooking a bet by not selling the machine on its *typography*. After all, it is a printing machine. Ease of operation, absence of fatigue, are incidental to clean-cut type, perfectly aligned.

* * *

It must be a heartbreaking job trying to sell fine glassware in competition with the amazing reproductions obtainable at the 5 & 10.

* * *

Why doesn't somebody make a refrigerator with glass doors, or, at least, with glass-paneled doors, so that you could reconnoiter before opening the door and wasting valuable refrigeration? Often I have run the temperature up 10 or 15 degrees, trying to find the olives or the maraschino cherries.

* * *

There may be a better tire than Goodyear's Double Eagle Airwheel, but I sincerely doubt it, after reading that spread in the *Satevepost*.

* * *

The Made-in-America Club, Inc., will need a battle cry. What about: "Good Americans Buy American Goods?"

* * *

Note to politicians: 127,521,000 Americans can't be wronged!

* * *

A remote little neighborhood throw-around (*East Falls Bulletin*) states the case for advertising in four laconic words: "Advertise—or be forgotten!"

* * *

Leave it to the ladies. The Missus has discovered a pretty swell hand lotion, which I have sneaked onto some chapped shins with fine results. Its name is Velure and it's made in Boston. Pretty good name, too.

* * *

"Two White Rats—see how they grew!" says a Red Heart dog food headline. That's getting rhythm in your nursery rhymes.

* * *

Camel ciggies, I understand, are now an aid to digestion. If they will also grow hair I know a couple of fellas.

* * *

The way Japan heard it was "Freedom of the seize."



T. Harry Thompson



The Wolf Award for Distinctive Merit in Packaging: To Five Star Anti-Freeze (E. I. du Pont de Nemours & Company, Inc.). Also, first award for the most effective use of layout and/or decorative design, with emphasis on both merchandising value and beauty. Design by Jim Nash.



To Boraxo (Pacific Coast Borax Company): Award for the most effective use of the elements of design to create shelf visibility in the retail store. Also, first award for the most effective redesigned package. Design by McCann-Erickson.



To Johnson's Furniture Polish (S. C. Johnson & Son, Inc.): Award for the most effective use of more than one color. Design by E. W. Jones of Needham, Louis & Brorby, Inc., and Owens - Illinois Glass Co.

To Sun Cream (Harriet Hubbard Ayer): Award for the most effective package designed to add to consumer convenience regardless of artistic qualities. Entered by National Collapsible Tube Co.

To Chevrolet line (Chevrolet Motor Co.): Award for the most effective family of packages. Design by Chevrolet Motor Co.



To Rel Head Cold Jelly (The Maryland Pharmaceutical Co.): Award for the most effective shipping container from the standpoint of employment of good design.



Du Pont Wins Wolf Packaging Award for '35-'36

The Five-Star Anti-Freeze container of E. I. du Pont de Nemours & Company won first honors in the 1935 Irwin D. Wolf Award Competition for distinctive work in packaging, the American Management Association, sponsors of the competition, announced this week.

Winners in the various divisions are pictured on page. Judges for this year's competition were: George Aymar, art director, Blackman Advertising, Inc.; Richard Bach, director of industrial relations, Metropolitan Museum of Art; Edith M. Barber, writer and consultant in home economics; James C. Boudreau, art department, Pratt Institute; Berent Friele, president, American Can Corporation; Alice Hughes, feature writer, New York American; Ray M. Schmitz, associated merchandise manager, General Foods Corporation; Jack Straus, president, R. H. Macy & Co.; and William Weintraub, Esquire magazine.

See page 328 for listing of companies which received honorable mentions.

Stop Spot Handy Cleaner (Union Oil Co.): Award for the most effective use of two or more packaging materials in one package. Design by Frederick Sykes.

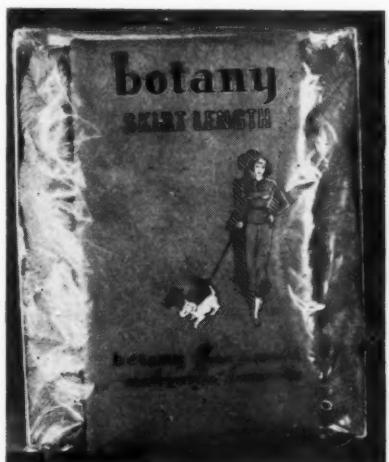


To Sell-A-Set Deal (The Washburn Co.): Award for counter display pieces that most effectively contribute to the selling of a unit package. Design by The Washburn Co. and Howard H. Monk.



To Jiffy Banana Pac (Meloripe Fruit Co.): Award for the most effective shipping container from the standpoint of merchandising and construction ingenuity. Design by Jiffy Pad & Excelsior, Inc.

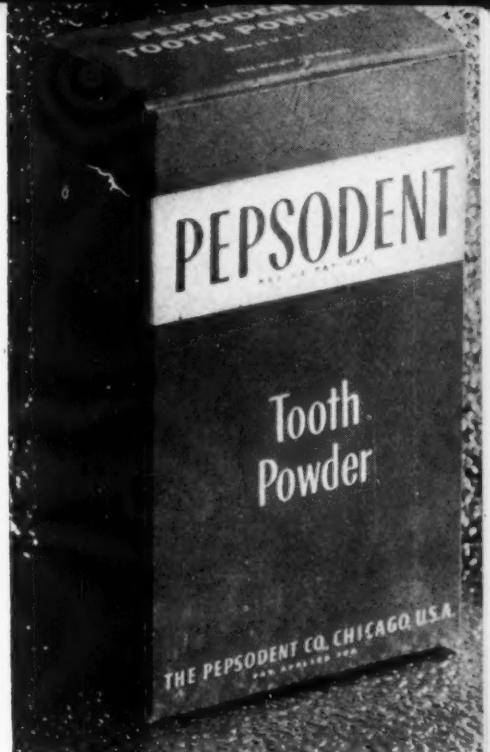
Pilgrim Rum-pint (Felton & Inc.): Award for the most effective use of typography and/or printing. Design by Malcom N. Stanley.



To Botany Skirt (Botany Worsted Mills): Award for the most effective packaging of a combination sales unit.

Not shown: Floor display stand used by Lever Brothers Co., awarded first mention for floor display pieces that most effectively contribute to the selling of the unit package.

To Aero Carboy (American Cyanamid & Chemical Corp.): Award for the most effective use of inventive genius in package construction. Design by R. W. Lahey and K. M. Sieg.



To Pepsodent Tooth Powder (The Pepsodent Company): Award for the most effective package employing a single color. Entered by American Coating Mills, Inc.



To Match Box (International Printing Ink Corp.): Award for the most effective use of merchandising ingenuity regardless of artistic qualities. Design by John M. Calkins.



How Magazines Differ—as Shown by City Preferences

EDITOR'S NOTE: This, the twentieth in a series of surveys and studies sponsored by SALES MANAGEMENT and the Market Research Corporation of America, is the second installment of an original study planned by Dr. Paul Lazarsfeld and executed under his direction at the newly-chartered University of Newark. Because both the subject matter and the methods used in these studies are somewhat complicated, readers are urged to turn back to the February 15 installment for the explanation of the basis of selection for both magazines and cities and the method of ranking cities as prolific or non-prolific.

Dr. Lazarsfeld and his students are equipped to make similar analyses for other cities and other magazines based upon the most recent circulation breakdowns. Readers interested in having similar studies made should get in touch with Philip Salisbury, Executive Editor, SALES MANAGEMENT.

In the study, "How Cities Differ in Their Magazine Reading Habits," in the February 15 issue of SM., Dr. Lazarsfeld showed factually the great differences between cities in both the number and the kind of magazines read. Certain cities were shown to be prolific in magazine reading while other cities were relatively non-prolific; individual magazines ran the range of 239 copies per 1,000 families in one city to 18 in another.

The cities ranked from 13 (Albany), which had the best general rank in the sense that it had the greatest circulation per thousand families on the largest number of magazines, to 65 (Jersey City), which meant that this city read relatively little of almost all magazines. All magazines were given equal importance in working out the city rankings. The great range in magazine reading is important. It means this:

In general, a city either reads much of most of the magazines, or little. It doesn't happen very often that a city reads much of some magazines and little of others.

A careful analysis of the cities shows that people in a given city do not compensate in their reading habits by slight reading of, let's say, half of the magazines and prolific reading of the other half; if they did that, all cities would have average ranks closely grouped around the middle rank of 38 (there are 76 cities and therefore the median average would be 38).

The basic table of circulations (page

219, February 15) shows marked differences in reading habits but, except to the reader who is willing to take the time to construct his own detailed rankings of individual magazines by individual cities, the actual circulation figures are not as significant or as readily appreciated as the symbols which appear in the table on the facing page. This picture of city preferences was developed as follows: An average rank of reading interest was worked out for every city (page 262, February 15), this average rank being computed from the rank numbers of the individual magazines,

How Cities Differ

Therefore we find that for every city about half of the magazines have a circulation rank above the average of all of the other magazines and about half have a circulation below the average. We have shown by the symbols printed in connection with the full-page table the degree of acceptance cities have for individual magazines—whether it is above average (plus) or below average (minus). These are relative signs. The *Literary Digest*, for instance, is minus in Albany because its circulation there is relatively less important than the average circulation of the other magazines. It has a plus in Jersey City, indicating that its circulation there is relatively higher than the general average. But if we turn back to the detailed circulation figures printed in the last issue we find that the *Literary Digest* has an Albany circulation of 38.1 per thousand families and in Jersey City has 25.5 per thousand families. Absolutely speaking, then, its circulation is higher in Albany; relatively speaking it is higher in Jersey City because Albany is so much more prolific in reading than Jersey City and on that basis the *Literary Digest* is relatively weak there. We are only interested in the relative standing for each magazine measured for every city separately upon the standard of the average amount of reading.

The large table (Table I) shows for every city, by symbols, an indication as to whether the relative circulation is above or below average. A blank indicates that the circulation is exactly average. We also indicate certain ex-

tremes. Those magazines which have relatively highest circulation in each city—usually three—and also those which have the relatively lowest circulations are indicated by a double symbol.

Which Are the Most "Regular" Magazines?

In the first installment we distinguished between prolific cities that read much and non-prolific cities that read little. We will now select the upper quarter of the 76 cities, taking the 19 most prolific cities; then we select the lowest quarter, or the 19 least prolific cities. We then have a yardstick with which to measure the marked circulation differences of the magazines. Which are the magazines that have a big circulation in the prolific cities and a small circulation in the non-prolific cities? Which magazines run counter to general reading habits—with small circulation in cities that read a great deal and large circulation in those cities whose people relatively are not addicted to magazine reading?

In order to find the answer let's take a certain magazine—for example, *Esquire*. We pick out for *Esquire* the 19 cities in which its circulation density per thousand families is highest. Which ones of these cities are generally prolific and which non-prolific? Our ranking list shows that. And then we take the 19 cities in which *Esquire* is least read. Again, how many of them read much in general, and how many read little? We find that *Esquire* has a circulation which is roughly similar to the general trend of reading. It is much read in prolific cities and little read in non-prolific cities.

In 21 of the 38 cities the circulation is similar to the general trend (in 10 there is much general and much *Esquire* reading, in 11 little general and little *Esquire* reading). In 13 there is no marked trend and we therefore ignore these. In three cities *Esquire* circulated against the general trend. Subtracting these 3 from the 21 leaves us 18 out of 38, or 47% as the magazine's index of regularity.

Using this formula, Dr. Lazarsfeld has constructed the following table as

(Continued on page 322)

Table I: How Magazines Differ in Their Acceptance by Cities

Limerick Contest Starts Kraft's Drive on "Dairy-Fresh" Caramels

KRAFT-PHENIX CHEESE CO. launched its first nation-wide campaign to promote the sale of its Dairy-Fresh caramels on March 1. It is using 39 Sunday newspapers, 17 of them in the Hearst chain and the rest leaders in strategic metropolitan market centers. Large display in colors will be used in the comic sections built around a limerick contest.

In fact, the announcement to the trade calls for three contests, each dividing \$5,000 in cash among the victors. The first will close March 20, the second April 24, and the third May 22. In each the first prize will be \$500, the second \$250, the third \$150 and the rest graded down to 275 prizes of \$5 each. One thousand other contestants in each will receive a pound box of caramels.

Product Is Two Years Old

The contestant is required to supply the fifth line of a limerick and for the first contest the incomplete limerick is given as follows:

There is a young lady named Sue
Who likes caramels soft that will chew.
She got some from Kraft,
Dairy-Fresh! So she laughed:

The sales hook in the contest is that each contestant must write the fifth line on an entry blank, printed on the wrapper of a five-cent package of Kraft caramels. Officials of the company hopefully look forward to a million—maybe two million—entries.

The Kraft-Phenix Cheese Co. began making caramels in 1934. The purpose was to develop a new outlet for milk. It uses a specially processed milk called "Placto" which is condensed under vacuum at low temperature so that the casein is not cooked.

Fred Kraft, vice-president, who explained the coming national campaign to SM, said:

"We did a good job of establishing our caramels on the market in 1935 by using the usual sales tools, such as jobbers' deals and retailers' deals. Our distributing machinery on this item now has the country covered. Thus the time is ripe for the campaign.

"Showcase cards announcing the contest will be packed with the cartons and we have window strips in three colors, 18 by $5\frac{1}{2}$ inches. These are designed for doors, windows, counters and back mirrors. The advertising will

be staggered, using about one-half of the newspapers each week.

"The newspapers employed have a combined circulation of approximately 13,400,000. Limerick contests have consistently proved popular and with a total of \$15,000 in cash hung up for these three contests we expect action."

The newspapers scheduled are:

Albany, *Times-Union*; Atlanta, *American*; Baltimore, *American* and *Sun*; Boston, *Advertiser* and *Globe*; Buffalo, *Times*; Chicago, *Tribune* and *Herald & Examiner*; Cincinnati, *Enquirer*; Cleveland, *Plain Dealer*; Dallas, *News*; Denver, *Post*; Detroit, *Times* and *News*; Indianapolis, *Star*; Kansas City, *Star*; Louisville, *Courier-Journal*; Los Angeles, *Examiner*; Memphis, *Commercial Appeal*; Milwaukee, *Sentinel*; Minneapolis, *Tribune*; New Orleans, *Times Picayune*; New York, *News* and *American*; Omaha, *Bee-News*; Philadelphia, *Inquirer*; Pittsburgh, *Press* and *Sun-Telegraph*; Portland, Ore., *Oregonian*; Rochester, *American*; St. Louis, *Post-Dispatch*; St. Paul, *Dispatch & Pioneer Press*; San Antonio, *Light*; San Francisco, *Examiner*; Seattle, *Post-Intelligencer*; Syracuse, *American*; Washington, D. C., *Star* and *Herald*.

The space used will be half-pages in color except in the *New York News*, which gets full pages in color. The *News*, tabloid, has the largest circulation in the list, more than 2,500,000. No plans are being considered at present for radio time.

National Ads Not Taxable by States, Judge Rules

National advertising is interstate commerce and is not subject to a state sales tax, State District Judge M. A. Otero, Jr., ruled in a decision given at Santa Fe, New Mexico, February 15.

The decision came as the result of a suit filed by *Western Live Stock*, a monthly live stock magazine published at Albuquerque, against the New Mexico Bureau of Revenue. Attorney General Frank Patton filed notice of appeal to the State Supreme Court.

Although *Western Live Stock* was the only publication appearing in the suit, several daily and weekly newspapers were supporting the suit financially, and only the day before the decision the New Mexico Press Association had officially endorsed the stand taken by the magazine and had assessed members of the organization for funds with which to carry on the contest.

The tax is generally regarded as a sales tax, although it was enacted as an excise tax for support of the state's schools. Several publications have contended that the state has in effect recognized it as a sales tax by issuing tax tokens, which are given in exchange by consumers for the amount of tax on purchases. Retail establishments have thus been able to pass the tax on to consumers. Newspapers have collected from local and state advertisers the amount of the tax, but have had to absorb the tax on national advertising. Many of the state's publishers have paid the latter under protest, some contending that it was not only unconstitutional but that it amounted to a tax on gross income.

Kraft-Phenix, better known for its cheese products, begins national promotion of caramel candy with ads like this in 39 Sunday papers.



In a few square inches manufacturer and dealers get together

Two and a half inches is the width of a listing column in the classified telephone directory. A little space, it has a lot of power in closing sales.

In that space many manufacturers and their dealers make sure that prospects know where to buy the products they sell. That is how, at low cost, they check substitution and complete sales which might get lost by the wayside.

Look in your classified right now. Judge by the names you will see there, how thoroughly proved and important this dealer identification plan is.

Then let us show you how Trade Mark Service could be used to increase your sales and insure your advertising. Trade Mark Service Division, American Telephone & Telegraph Company, 195 Broadway, New York, or 311 W. Washington Street, Chicago.

HERE'S HOW THEY DO IT TO CHECK SUBSTITUTION

CLASSIFIED TELEPHONE

Glass-Safety

DUPULATE SAFETY PLATE GLASS
DUPLICATE in every window of your car gives you greater protection against glass injuries, less eye-fatigue while driving, and perfect, undistorted vision.

**Duplate
Safety**

"WHERE TO BUY IT"

WAREHOUSE
Pittsburgh Plate Glass Co
16 ab Indiana av SAG amor-5500

DEALERS

AUTO CLASS REPLACEMENTS INC
1525 Bellfield av GLA dsln-0346

FRANKLIN AUTO CLASS CO
623 S Broad KIN galy-9789

FRANKLIN AUTO CLASS CO
4825 Chestnut st ALL eday-6383

RIDGE CLASS WORKS
1321 Ridge av POP lar-7129
1319 Callowhill LOC ust-0577
1319 hiern-7770

Glassware

Amel
Basic
Basil

Bec
BEI

BO

CO

CIC

CI

E

EI

GI

HI

MI

NI

PI

RI

SI

TI

VI



← 2 1/2" →

Junking of Horse & Buggy Catalogs and Outmoded Products Brings Montgomery Ward's Sales Back

At the nadir of the Depression when public distrust of advertising was everywhere evident, Ward's embarked on a new "truth in advertising" movement. Photographs were substituted for drawings and copywriters were instructed to adhere to engineering accuracy in what they said about merchandise. The company's rapidly rising sales curve is proof enough that such a policy pays.

BY LESTER B. COLBY

A COMPLETE overhauling of its huge mail order catalog, redesign of hundreds of products, and a copy policy built around understatement of values, have brought Montgomery Ward sales back.

When Sewell L. Avery became president of Montgomery Ward & Co. in 1931, sales were down. The company was in the red, and, if you remember correctly, who wasn't? Things were looking bad. Since then Ward's gross sales, year by year, have registered these unusually encouraging gains:

1932	\$180,069,239
1933	197,553,940
1934	261,412,543
1935	306,101,505

The Chicago representative of SM was requested to find out a few facts, meaning the highlights of procedure, which led to this steady, consistent upturn in business. He found a very simple story. It was a matter of straight and direct thinking. We are not quoting any one man, but several. Their combined story, in some measure, paints the picture of the mail order business in Chicago.

The story of this composite man,

which we shall put in quotation marks for no particular reason, goes about as follows:

"In the beginning the mail order houses depended for their success on lack of competition. Their catalogs were crude and lacked appeal. Rural trade areas had not been developed. Small local stores could not possibly carry the complete assortments offered even by a limited catalog.

"There were no set standards of value; hence retail mark-ups were comparatively high and competitive mark-downs were comparatively nonexistent.

"In the beginning catalogs were simply listings of merchandise to which were added crude pictures and more or less factual descriptions of articles. Advertising did not enter into the picture at all, at least as we know advertising today. In fact, there were no advertising or sales management departments at all in the mail order houses.

"There existed only the buying functions and the machinery for catalog compilation. Up to the early 1920's most of the copy in the catalogs was written by buyers who, though trained merchants, were not trained advertising writers.

"With the development of modern means of transportation, modern



Junked: All the artist's and printer's devices which make hideous the catalog page at the left have given way to the simplicity and power of the one at the right, wholly illustrated by photographs.

Models for Misses: No more wash drawings—and no more "mail order" styles—are tolerated by Ward's. Instead, photographs of good models in well-designed clothes tease rural eyes and pocketbooks.

28
21

store-keeping, scientific price lining and the assorting of goods, the chain store, and aggressive publicity methods—which included syndicated advertising—the mail order houses began to face the necessity of a more intensive promotion of their market.

"Out of this came the creation of the catalog sales and advertising departments. The first attempts to make an advertising vehicle of a catalog were obviously crude. The tendency was toward blatant display, overstatement, and highly colored claims. Nevertheless these methods rocked along with considerable success until the end of 1929, when the nation went haywire financially.

"Very soon it was found that the buying public had become entirely skeptical of value claims; indeed of almost all statements in the entire field of advertising. It was at the very climax of this wave of feeling that Mr. Avery took the helm of Montgomery Ward & Co.

"When he sat down at his desk the very first thing he did was to question the catalog itself. He questioned the lack of attractiveness and taste in the illustrated matter. He questioned the typography and make-up. He questioned the sincerity of price and value claims. He questioned the tendency to exaggeration both in illustration and description.

"In those days few photographs were used. Line drawings and wash drawings were employed. Artists, for example, had a way of making a mattress appear twice as thick as it was and the copywriters were prone to add a display line, 'You never heard of a mattress like this!' Well, that might be the truth. There wasn't any.

"Such pictures and such claims, when the goods were delivered, tended to discredit basically all other sound

merchandise offerings. There were other blatant generalities. It was felt that they tended to cheapen not only the advertising of the company but the reputation of the company as a whole.

"So, after a period of self-examination during which the whole field of advertising was looked into, it was felt that the mail order catalog had lagged woefully and was not in step with the times.

"One of the first steps was to junk the imaginative line and wash drawings of the fanciful artists and substitute photographs for the sake of truth. Beyond that, an engineering accuracy was demanded in statements. A policy of understatement rather than overstatement was entered into.

"Over-expectancy on the part of the customer was held likely to prove a boomerang. When the goods arrived there must be no let-down. This, it was believed, was sound business practice. The house, Mr. Avery said, must be known by its goods rather than its words.

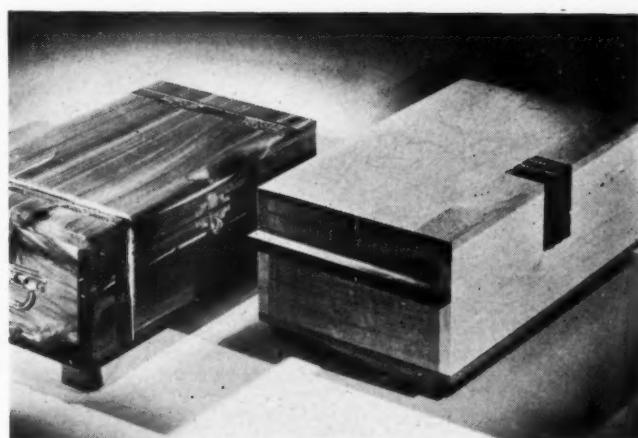
"The first step was a clearing away of years of accumulated debris both in thinking and materials. Old woodcuts, and there were files and cabinets and shelves filled with them, were ruthlessly junked. Wash drawings followed. Border plates which had been handed down from past dynasties, and were still used, were sold for old metal.

"Curlicues, wreaths, antiquated ornamentation, black column rules, out-of-date headings and various dingbats were tossed into the discard. Modern magazines were studied for make-up and style. Type specifications were changed; entire new faces used. Paper and ink specifications were stiffened. Simple layout forms were substituted.

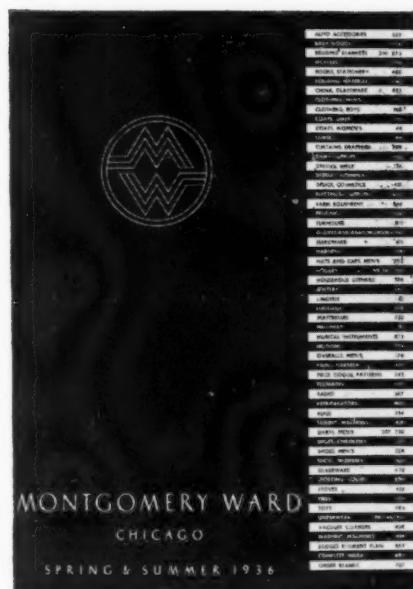
"Modern advertising talent was hired
(Continued on page 338)



Redesign: Whole lines of household and kitchen wares, aluminum, etc., have been restyled to meet Ward's demand for modernized goods. Above: A before-and-after picture of one such change.

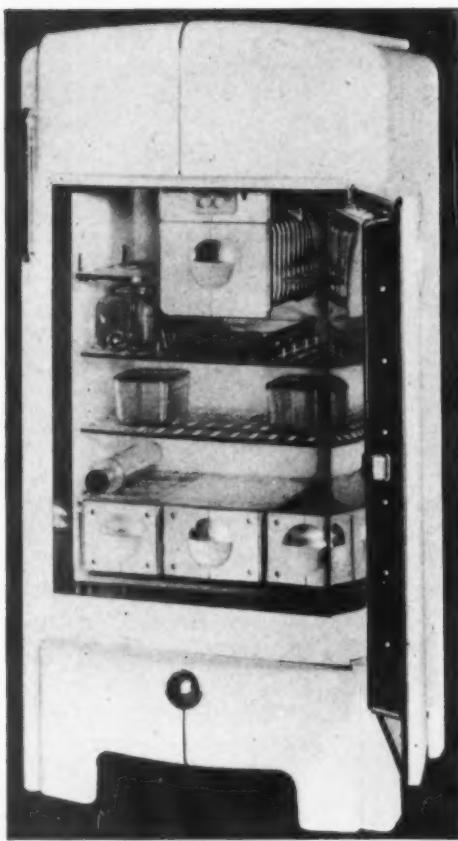


"Modern" for Centerville: The quaint belief that country folk like the "fancy" and "gingerbread" has been exploded. Hence the metamorphosis of "cedar chest" box into just a box—but a good one.



Covers: The new catalog cover, above, replaces the jumble of artwork on the old one (below) with simple white type on a solid red panel, and an index on the black and white strip at right.

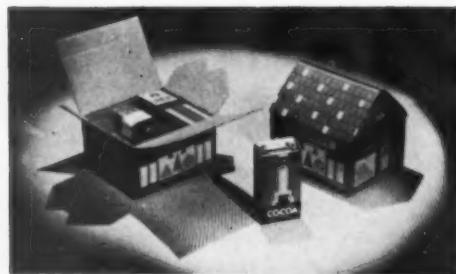




Coldspot: (Above) Here's Sears, Roebuck's 1936 model refrigerator, designed by Raymond Loewy. Since the style re-design, sales have come from the bottom to fourth place nationally. It uses, for the first time, flat, rustproof, non-tarnishing aluminum shelves. Story on page 286.



Ritz Ware: (Left) A & J Kitchen Tool Co., Chicago, brings out a line of "Ritz" cooking aids. They are of chrome-plated steel, black Bakelite handles and aluminum tips. Rustproof, non-cracking and chipping, and with nothing to wear off, the firm believes they will sell rapidly.



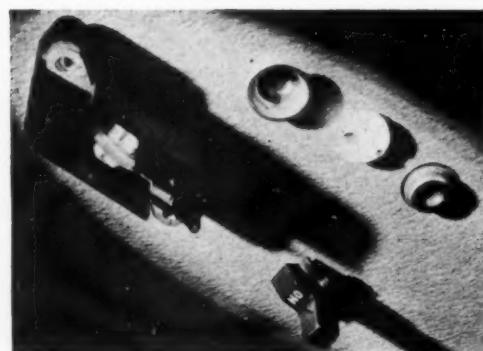
Grocery Store: Zanol Products Co. puts five food items in a corrugated box that folds into a toy grocery store. Its door-to-door salesmen find mothers like the box for their children. Hinde & Dauch Paper Co. worked out the idea.

[302]

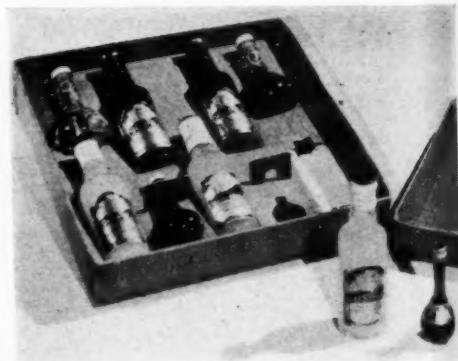
For Modern Desks: (Right) Since tubular steel is so widely used for currently styled furniture, Designer Egmont Arens employs it on this calendar pad. Graceful, substantial, the "Memo Valet" can be refilled each year. The pad is pictured from above and below to show its structural simplicity. Charles D. Briddell, Inc., of Crisfield, Md., is the manufacturer.



Designing to Sell



Mercury Switch: (Left) General Electric's newest compact electric switch utilizes mercury in two shallow cups with a hole between them. When the key is pushed the mercury flows through the hole without even a suspicion of a click. Nervous people will appreciate its noiselessness.



Cocktail Kit: (Above) Fruit juices, vermouths and the other ingredients that go into a shaker are grouped together by Castle Products, Inc. The Kit comes in a green corrugated package which is a permanent container on the home bar. Hinde & Dauch Paper Co. make it.



Dew-Dab: (Left) A refill flacon is opened automatically when inserted into this patented dispenser. The Lentheric perfume remains sealed, but when the cap is taken off it lets out a single drop. C. W. Barton Management Corp. controls the dispenser, which is applicable to many liquids and even powders.

SALES MANAGEMENT

CLINCH SALES

IN THE \$239,000,000*
OKLAHOMA CITY MARKET

BUILT upon a foundation of substantial business gains during 1935, Oklahoma City's general business during January attained new heights and forecast a year of quota-breaking sales in 1936!

With \$110,831,500 in January bank debits pouring \$20,980,000 more into Oklahoma City trade channels than in January, 1935 . . . building permits topping the million-dollar mark for the second consecutive month . . . and all major indices showing buying at action heat . . . Oklahoma City and its trade area offer glowing sales possibilities to alert advertisers who strike while the iron is hot.

The hammering of an adequate advertising campaign in the Oklahoman and Times is essential to clinch sales in the Oklahoma City market. These newspapers penetrate deep into this market, driving sales messages home effectively to 90% of Oklahoma City's homes . . . to more than 60% in the trade area.

* Retail sales in the state, as reflected by the 1% sales tax collections for 1935, amounted to \$523,615,873, of which 45.7% or \$239,292,453, were made in Oklahoma City and its trade area.

**THE DAILY OKLAHOMAN
OKLAHOMA CITY TIMES**

National Representative • E-KATZ • Special Advertising Agency



Harvey S. Firestone, against a barnyard background, explains how farms should be rubber-tired.

Marketing Flashes

[New Products—New Jobs—Sales Strategy—Promotions]
—Firestone to Put Tires on 25,000,000 Farm Vehicles?]

Popular Pilot Allen

When you say "aviator" probably most adults will think first of Lindbergh. Two and a half million kids, however, associate the name with Jimmie Allen and his Flying Club.

In the three years of his radio life, adventurous Allen has attracted an enormous following for himself and for Skelly Oil Co. The Kansas City firm has given away to Flying Club members more than 423,120,000 pieces of merchandising material and advertising, says Harry W. Clifford, Skelly ad manager.

Electrically transcribed Jimmie Allen programs have been broadcast in all 48 states, Canada, Mexico and Central America for 520 nights. Under the Skelly aegis, air races with toy models have been held by Club members in many cities during that time.

Now Jimmie and his pal, Speed Robertson, are to appear in a movie, "The Sky Parade," to be released in April. Skelly is preparing a merchandising campaign to enable its dealers to cash-in on the additional movie excitement.

Grime Prevention

Sutton Tool Co., Detroit, sends its catalogs to mechanics and factorymen who are not lily-handed. Thus if the catalog is kept around the shop for any length of time (which Sutton hopes will be the case), it soon resembles a Rogues' Gallery fingerprint sheet.

[304]

To protect the cover of its latest catalog Sutton had the Dobeckmum Co., Cleveland, "doplex" it. After printing half-tone illustrations of tools on the cover, Cellophane is applied. Then, no matter how many greasy, dirty hands grab the catalog, it always retains its pristine freshness. Obviously the process is invaluable to makers of items for the sterner, dirtier industries.

Colgate's Baby Powder

Colgate-Palmolive-Peet harkens to the pleas of druggists and brings forth a borated baby powder. "They wanted this addition to our line," says Manning O'Connor, manager of the toilet article department, "in order to get the benefit of the Colgate profit stabilization plan on baby powder."

In 10- and 20-cent sizes, each container is decorated with a picture by Maude Tousey Fangel, celebrated artist specializing on the younger set.

Only a Penny

For a penny more than the regular price for three cakes of Camay soap, residents of Battle Creek, Mich., can get a tube of Mennen Skin Balm. Camay is "the soap of beautiful women"; Mennen's Skin Balm is usually advertised to men as an after-shave lotion. But the latter is also a "protection against windburn, sunburn, and chapping. An excellent powder base."

If enough women are induced to

try Skin Balm, Mennen will have obtained an entering wedge to a fresh market. By tossing in a 25-cent tube with three cakes of Camay, the latter provides an extra inducement to bargain-hunters.

Pedlar & Ryan, Camay's agents, admit they are experts at this sort of "you scratch my back and I'll scratch yours" merchandising. "We have been employing these tie-ups for Camay ever since it was introduced, five years ago," they explain. Photographs, tickets to all sorts of amusements and almost every variety of toilet goods have been at one time or another sold in combination with Camay.

The Battle Creek offer is experimental. If Mennen and Camay's owner, Procter & Gamble, are pleased at the outcome, it will be extended to other cities. Maybe to the whole country.

Farmer Firestone

Harvey S. Firestone spends much of his leisure on his ancestral farm in Ohio. It was there he conceived the idea of "shoeing" every wheel on the farm with pneumatic rubber tires. From wheelbarrow to thresher each vehicle on his place wears a "Ground Grip" tire.

He has proved that such shoes save from 25% to 50% in power and do the work 25% to 50% faster. Farm machinery already in use is not equipped for tires, and here the first cost is prohibitive. Therefore, Firestone engineers have evolved a simple method for changing steel tires to rubber by adding a new demountable rim. The rim and tire are interchangeable on several farm vehicles and implements. One set of tires can be shifted to several wheels as the seasons demand different uses.

Firestone is all ready to go after the huge farm market with these convincing arguments. Pictured is Mr. Firestone elaborating on some of them in the stage setting installed in a company building at Akron. Barn, haymow, corncrib and straw are authentic. The scene forms a background against which Mr. Firestone and his lieutenants demonstrate how farms should run on rubber.

Moving

Gordon Laurence is appointed assistant to the president of Allen Calculators, Inc., New York. He will be in charge of sales and advertising. For many years ad mgr. of L. C. Smith & Corona, Mr. Laurence was more recently v.p. of Nascon Service, Inc.

Sidney B. Jewett moves from Bos-
(Continued on page 329)

In Which We Turn a Footnote Into a Headline

(Voluntary Circulation Is the Number of Copies of a Magazine That People Will Buy, Issue by Issue, If Left to Their Own Devices)

This definition, which has appeared as a footnote to these Macfadden pages through several months, now comes in orderly sequence up to the top.

For "Voluntary Circulation", as applied to the magazine field, is only part of the whole revolutionary change in merchandising methods that was introduced into the entire business world by that new generation of young executives (now, alas, no longer young) who found their way to power shortly after the turn of the century. And who proceeded to turn the new century upside down with care.

You younger executives who have come into power since this modern era of business began should find exceeding interest in reading this page if only as an historical document. But you older executives should have a double interest and a double pleasure. Because you are the makers of this history of modern business which we shall be talking about.

* * * *

You older men may like to go back for a moment with a smile to the days when the manufacturers of America didn't count for so much. Most of you were in the hands of your jobbers. And the jobber was "the works". Your jobber told you what to make and how much to make. Oftentimes he didn't even like your name on your product. He wanted his own. And you were helpless because you were in his hands. So an enormous per cent of all the things made in America were "stencilled" products. Products made by you and "stencilled" with *his* name. And it was at this point that you almost literally rolled up your sleeves and went into the great fight that changed the whole manufacturing picture of America.

* * * *

This was the world of production in which the great majority of you younger (now much older) executives found yourselves.

You began selling your own products under your own name and guaranteeing those products to the consumer. You began using your jobber as part of your machinery of distribution and not as an end in himself. You began developing the retail outlets of America as fast as you could. The old jobber had always had his favorite customers. You had no favorites.

And finally, with stronger and stronger advertising, mainly through the magazines, you went direct to the consumers of America, offering your products for sale under your own name and your own guarantee.

And that was the beginning of modern merchandising in America, which today is in full power.

* * * *

And Macfadden Publications—where do we come into the picture?

Well, we saw what you were doing and went out and did exactly the same. We threw out wholesale jobbing connections who were telling us, and established others whom we could tell. And just as you developed your

retailers, so we developed ours. *We helped to make it possible to buy magazines on every corner in America.*

And finally we went to the consumer with our advertising just as you had done. Advertising with us was not something that we recommended to you and did not take for ourselves. We became the biggest advertiser in America in the magazine field.

And gradually we found out the things that you had found out. We had had a natural demand for our products to start with, just as you had had. *And it was a natural demand. Enough advertising can sell anything once. But no amount of advertising on an unwanted product can produce a steady repeat sale from twelve to fifty-two times a year and a steady increase over fifteen years.*

* * * *

Other "findings" came thick and fast. Not only were we making circulation for ourselves but it was soon apparent that we were making the most valuable kind of circulation for our advertisers; that this voluntary circulation, which was more valuable to us, must also be more valuable to you. It seemed reasonable to suppose that people would be far more interested in and would read far more thoroughly a magazine that they were buying issue by issue than they would a magazine to which they had been induced to subscribe for a considerable period of time.

This all seemed logical. But it was not until years later that the independent Starch Survey, conducted in the interests of national advertisers, showed that the two Macfadden magazines included in that survey had, in their respective fields, the highest reader-interest of any of the magazines studied.

Thus, it became a proven fact that the lesson we had taken from you was to prove of extraordinary benefit to you, and that "voluntary circulation" magazines—that is, magazines that were voluntarily "bought" issue by issue—were not only more valuable to us but were to prove so much more valuable to you as to mark the beginning of a new type of thinking in the advertising world.

And so today our battle has been won just as yours has been won. We are in control of our own business. We have by far the largest voluntary magazine circulation in the world and we know the weekly and monthly needs of every newsstand in America in relation to every magazine we publish.

We have also helped to establish so many retail outlets that you can now buy practically any magazine you want on any business corner in the United States. So that if the public doesn't buy more of any particular magazine at these innumerable points of sale, it is because the public doesn't want any more. And nothing that that publisher can say to you can change what the public is saying to him.

So far as voluntary magazine sales are concerned, the people can now be left to their own devices to buy whatever magazine they may want to read—if the magazine publisher has the courage to leave it "to their own devices".

How 2,183 Other Markets Stand in Per Capita Food Sales

To a degree this analysis by Mr. Pepin is a "comeback" to Constance Harris' article in the February 1 SM, which dealt with food sales in cities above 100,000 population. Mr. Pepin grants the importance of these cities but points out a great market which is generally overlooked

BY
RÉNE PEPIN

IT is obvious that any national manufacturer and advertiser of food products is likely to have his vision obscured in his merchandising efforts by masses of concentrated population such as our large cities, and by the volume of food sales in those cities.

For example, metropolitan food sales have just been covered with an article in the February 1 issue of SALES MANAGEMENT by Constance Harris, in which she pointed out the food market found in cities of over 100,000 population. These she listed according to their importance by rank of per capita sales, showing that among large cities the 18 best markets for food in the United States were located along the Atlantic Seaboard. Her article confines itself strictly to metropolitan sections of the country.

This writer, however, has also unearthed figures from the Bureau of Census which will serve as a useful complement to those presented with Miss Harris' metropolitan study.

Most food manufacturers are interested in the entire United States. Therefore, if there are worth-while markets for food products in the small town and rural areas of this country (as there are in the metropolitan districts) that fact is of equal importance to food manufacturers. After all, John Smith and his family, in Hiawatha, Kansas, have to eat just as much food to keep alive as do Joe Smith and his family, who live in New

York City. In fact it is quite likely that the Hiawatha family will actually consume more food, although Hiawatha's per capita food sales may not show the fact.

Analysis of the number of meals served in the entire United States shows that 243,786,729 meals are served at home each day to people who are likely to be influenced by national advertising. Of these, 158,673,655 or 65% are served in communities of less than 10,000 population. Is this of any interest to the food manufacturer?

Actual food consumption is diffi-

cult to measure with a statistical ruler, and so we must resort to per capita sales figures. Although these are subject to question because of varying standards of living, and levels of buying power, it is generally conceded that a market area can be estimated with a fair degree of accuracy by the use of per capita figures.

For example, we are going to break down a block of small towns throughout the country—2,183 of them—every small town between 2,500 and 10,000 population, and, incidentally, a truly homogeneous group of places. Per capita retail food store sales fig-



"Guess this'll show P. K. what the Gray Matter Advertising Agency type of enterprise can do for him!"

Per Capita Food Store Sales

in all cities 75,000 to 250,000 and all towns 2,500 to 10,000 population

Geographical Divisions	Population	Sales	Per Capita
<i>New England</i>			
75,000-250,000	1,805,583	\$170,939,000	\$94.7
2,500- 10,000	612,061	56,606,000	92.4
<i>Middle Atlantic</i>			
75,000-250,000	2,117,248	185,314,000	87.5
2,500- 10,000	2,397,389	217,750,000	90.8
<i>East North Central</i>			
75,000-250,000	1,572,733	107,103,000	68.1
2,500- 10,000	2,195,142	176,472,000	80.3
<i>West North Central</i>			
75,000-250,000	927,046	69,667,000	75.1
2,500- 10,000	1,183,847	99,566,000	84.1
<i>South Atlantic</i>			
75,000-250,000	1,079,128	87,032,000	80.6
2,500- 10,000	1,146,936	88,343,000	77.0
<i>East South Central</i>			
75,000-250,000	379,466	27,735,000	73.1
2,500- 10,000	657,334	40,978,000	62.3
<i>West South Central</i>			
75,000-250,000	982,391	55,234,000	56.2
2,500- 10,000	1,193,420	79,669,000	66.7
<i>Mountain</i>			
75,000-250,000	140,267	9,661,000	69.0
2,500- 10,000	490,774	42,400,000	86.5
<i>Pacific</i>			
75,000-250,000	764,303	64,047,000	83.8
2,500- 10,000	737,843	76,323,000	103.5
<i>Total UNITED STATES</i>			
75,000-250,000	9,768,145	776,732,000	79.5
2,500- 10,000	10,614,746	878,107,000	82.7

Source: U. S. Census of Distribution, 1933

ures as of the United States Census of Distribution of 1933 for these towns is \$82.7. This represents a total volume of \$878,107,000 food money—a sizable market for food products, one would say. But to the casual observer it is difficult to estimate what degree is meant by the term "sizable." Let us therefore make a comparison with other food markets in the country and see just how this block of 2,183 small towns rates with them.

In these 2,183 small towns we find 10,614,746 population. Looking around for a comparable population group for another block of places in another market, we come upon those cities ranging in size from 75,000 to 250,000—81 of them—with 9,768,145 population. Food stores in these 81 large cities did a business of \$776,732,000 at a per capita rating of \$79.5. What better proof can a research and market analyst and a food manufacturer have that the primary food market is not necessarily found just in Syracuse, Dayton, or Long Beach; or indeed even just in New York City, Chicago, or Los Angeles?

If we look at the food store sales in the two blocks of places (75,000 to 250,000, and 2,500 to 10,000) in the various geographical divisions, we find the Middle Atlantic states with

food store sales totaling \$217,750,000 in towns 2,500 to 10,000 with a per capita food sales figure of \$90.8—as compared with \$185,314,000 in cities 75,000 to 250,000 with a per capita food sales rating of \$87.5. Traveling west, we find the West North Central states with food store sales, in places of 2,500 to 10,000, totaling \$99,566,000 and a per capita food sales rating of \$84.1—as compared with \$69,667,000 in cities 75,000 to 250,000 with per capita food sales of \$75.1.

The business of pointing out markets must not stop with only one or two samples and comparisons. After all, of what value are these comparisons if not to show that the vast market distributed throughout the country has equal value—and in many instances even greater value—to the manufacturer of food products, with the vast concentrated market in cities? The one is a complement of the other, and so we go on to even larger cities—the 93 largest cities in the country—all of more than 100,000 population.

A tabulation showing the per capita food store sales in these cities by rank of per capita sales was shown in Miss Harris' article. Lynn, Mass., led in per capita food sales with \$128.46, and Birmingham, Ala., fell into last or 93rd place with \$45.82.

True, these 93 leading cities in point of population concentration and total food sales volume per city comprise a food manufacturer's formidable market. Sixty of these cities, however, have lower per capita food sales than have the block of small towns ranging from 2,500 to 10,000 population.

Some of these lower-than-small-town per capita cities are: Buffalo, N. Y.; Seattle, Wash.; Fall River, Mass.; Pittsburgh, Pa.; Chicago, Ill.; Atlanta, Ga.; Detroit, Mich., and New Orleans, La. Even with the high per capita of \$128.46 for Lynn, Mass., the average per capita of these 93 cities of 100,000 population and over comes to but \$84.3—practically the same figure as the food store sales per capita figure of \$82.7 for the 2,183 small towns of 2,500 to 10,000 population.

And to go back to specific individual indications of high per capita food sales: Just as Lynn, Mass., among the larger cities, is pointed out with \$128.46, so can one hop, skip, and jump throughout the country and point to smaller places that have equally high, if not higher, per capita food sales. For instance, Tuckahoe, N. Y., with a population of 6,138, has a per capita food sales figure of \$192.2; Jenkintown, Pa., with a population of 4,797, has a per capita food sales of \$283.9; and Isabel, Okla., with a population of 2,581, has a per capita food figure of \$146.4.

Factors Equalizing Gardens

Those who do not believe that figures tell the truth may contend that inasmuch as it is from the small town and rural areas—from the good earth—that our food primarily emanates, an appreciable portion of the food consumed in that market comes directly from the ground. But for the majority of our national food advertisers this contention is mere twaddle.

We shall answer this point only with the statement that it is of course obvious that a portion of agricultural products—raw and unmanufactured foodstuffs—are consumed right in the small-town and rural areas where they are grown. Naturally farmers do not go to the store—as do their metropolitan cousins—to buy potatoes when they already have them on the farm; or green corn, or fresh tomatoes, or eggs, chickens, milk, etc. And to a somewhat lesser extent, the same holds true in small towns with their own gardens or with nearby farms where residents—without benefit to known per capita sales—can buy such produce without going to a retail grocery.

Undeniably a considerable portion
(Continued on page 339)

BY E. B. OSBORN
Sales Manager, Economics Laboratory, Inc.,
St. Paul, Minn.

How We Swipe Sales Ideas Out of "Sales Management"

The pages of this magazine—and of all other good business papers—are crammed with ideas which can be put to work for you. Why not apply more of them to your own business?

DOES anyone ever have an idea that is truly original? One sometimes wonders, for if an honest search is made, it will be found that more often than not the cloth has already been cut . . . only the fitting remains. An idea or a plan is usually based on a small number of one's own experiences added to a larger number of the experiences of others, the whole of them blended together with an original thought that adapts them all to a present need.

We are indebted once again to the pages of SALES MANAGEMENT, a fine collection of the experiences of others . . . always a fertile source of ideas for us.

We read several months ago of the "Dr. Pepper Five-Finger Plan"*, and at once saw its application to our own problem. Without recalling the exact circumstances that brought about the creation of that plan, the gist of the story is that an astute sales manager found after extensive research the five factors most important to the success of a Dr. Pepper salesman, and then devised a way to make his men remember these five things almost every hour of every working day.

His men, who are route salesmen driving their own trucks and making their own deliveries, suddenly found staring them in the face from the side of the driving cab a sign as big as life and with the "Five-Finger Plan" outlined on it in no timid fashion. It would have delighted the heart of Barron Collier, for these men from that time on did their own car card reading two or three hours of every day they drove their routes, and to the tune of a sales volume that soon doubled! They read

these sales points daily whether they liked it or not, because they couldn't help it.

We decided that in many ways our original problem was the same, and that at all costs this idea would have to be adapted to fit us. We set out to see that this was done, but soon ran into snags. We had no trucks . . . we couldn't make sandwich men of our salesmen by hanging signs on them, and worse yet, we had not five points,

Certain requirements, it is true, became outmoded and went into the discard, but in spite of this enough new technique was developed to more than keep pace. As they were added and became a part of each man's training the list grew until the point arrived where even an attempt at getting every man to observe all the rules all the time was a discouraging prospect. They knew the points . . . had been drilled on them, but to remember all of them all of the time was humanly impossible. Constant reminders from the home office became a burden on executives and men equally. Neither the "nagged" nor the "nagging" enjoyed this seemingly unavoidable state of affairs.

Then to the rescue came SALES MANAGEMENT. The answer was so simple (the right ones often are) that we wondered why it had never occurred to us before.

Our salesmen don't have the opportunity of seeing the roof of a truck a dozen or two times a day for such a reminder, but they do see their report pads for something like an hour daily at just the time when they are engaged in reviewing for us, and incidentally for themselves, just what they have done during the preceding eight hours. It amounts to a sort of daily self-analysis on the part of each man;

On every tenth page of the Economics daily report pad one of these reminders of an important point of sales technique pops up to demand the salesman's attention—and at a time when he is in the best mood for giving it serious consideration.

People buy what they see. Did you constantly use your portfolio today and did you carry with you some of the things you are selling? For instance your Hydraulic Dispenser?

but 20, that we wanted to have constantly before our men!

It has always been our problem, as it is no doubt the problem of thousands of other sales organizations, constantly to devise new sales aids for our force and to teach the men to use new technique developed in the sales laboratory. Added to this ever-mounting list of requirements there have always been the fundamental rules for a successful job in our line. These include such things as the proper use of reports, correct maintenance of daily and monthly sales records, and a host of other requirements each of which some few men have always done well on, but which in total *no one* has ever wholly fulfilled.

that is, it does if he writes his reports the way we ask him to. The sad truth has been that few of our men really *have* been writing their reports just that way.

Then it occurred to us: "why not give them a constant reminder by having before them in a place where they can't be overlooked these things we are trying so hard to get them to remember?" We felt that fundamentally they were all willing and anxious to do what we asked but just couldn't. The memory is too short at the end of a hard day's work when the pipe and slippers invite attention. We decided to give our idea a try. Soon we hoped that this daily rehearsal would cause the points to become subcon-

* "Dr. Pepper 5-Finger Plan Is Simple, But It Hits New Sales Highs," SM, September 1, 1935.



Awarded for Sales Results

For the year 1935, results-seeking advertisers gave the NEWS-POST an advertising lineage increase, over 1934, of 1,202,047 lines. Following the phenomenal gain of 3½ million lines in 1934, this latest "new high" is proof that the NEWS-POST produces sales results.

NEWS-POST total circulation for 12 months ending September 30, 1935—200,179—the largest ever attained and maintained in Baltimore; with an ABC city zone family coverage of more than 84%.

BALTIMORE NEWS POST

Baltimore's Family Newspaper

Represented Nationally by

HEARST INTERNATIONAL ADVERTISING SERVICE

RODNEY E. BOONE, *General Manager*

On Sundays

The Baltimore American also gives you a plus coverage
— circulation more than 227,000—the largest in all the South
and over 30,000 more than any other Baltimore Sunday paper.

scious and automatically part of the day's work.

The next order for report pads from the printer was changed so that every tenth page was left blank except for one short question or reminder in big red letters that the salesman just couldn't miss if he tried. There are 20 of these reminders and they go into a report pad comfortably.

We felt that since the salesman couldn't write a regular report on these sheets, he'd have to tear them off; in tearing them off he'd read them, especially if he was really sincere and trying to be up on his toes 100% of the time. We found we were right; the men welcomed this means of increasing their efficiency and earnings.

It wasn't a week after the first lot of these new pads went out before we began to receive unsolicited and enthusiastic letters from the men express-

ing their approval, and their intentions of making good use of the new help. They weren't exhorted or lectured; we felt that they would get the point themselves and would appreciate the credit to their intelligence. They did.

Now outside of the field work of our supervisors, where drill is given on a point or two still being neglected (usually because the man thinks the rule or technique unnecessary to his individual needs), very little correspondence goes out from our home office to the men on these old sore spots! The sales curve has been steadily moving upward, and we attribute the cause in no small part to report pad reminders. With the mounting sales curve there has been another parallel to it for morale.

We continue to follow the pages of *SALES MANAGEMENT*. We anticipate other "thefts."

Jack Story, announcer of auto and air races, explains the events over an amplifying system.

He is careful to point out that some of the more spectacular stunts do not end in crashes only because of the drivers' skill—and the gripping traction of Ward's Riverside tires, plus the action of Ward's brake lining and other accessories.

Brake and reaction tests, pedestrian problems in traffic and correct signaling for drivers are among the stunts displayed. As a grand finale one of the drivers, who is supposed to be drunk, runs over a pedestrian (a member of the troupe). The "injured" man is hauled into an ambulance and the driver is arrested by the local police.

Supplementing these stunts is the Aetna Reactometer, supplied by the Aetna Casualty and Surety Co., which is exhibited both during the show and afterward at the Montgomery Ward store. Spectators are invited to test themselves for quickness of reactions to various hazards. They are also urged to sign safe driving pledges and receive windshield stickers. Ward's stores further display windows full of auto appliances promoting safety.

Authorities Lend Support

Response from governing officials, press and public has been favorable and generous. Despite unseasonable weather, from 2,000 to 5,000 people have viewed each show so far. Newspaper and radio publicity have been enthusiastic. In many towns the American Legion, chamber of commerce, high schools and safety councils have sponsored the campaign.

In Jackson, Miss., Mayor Walter A. Scott summed up the attitude of civic authorities: "I believe that this show, with its colorful performances, will do more to impress the minds of the public than thousands of printed words." E. E. Norvell, Shreveport police chief, said, "We who are so familiar with the awful tragedies resulting from carelessness or lack of knowledge at the wheel, welcome any effort which will serve to impress citizens with the chances they take."

Thus Montgomery Ward is performing a public service, acquiring good will and at the same time selling its merchandise.

Egmont Arens Forms New Firm

Egmont Arens, for six years with the Calkins & Holden advertising agency as director of industrial styling, announces the opening of offices at 480 Lexington Avenue, New York, as Industrial Design Consultant. Mr. Arens has redesigned packages for many private brands of A & P, and acted as design consultant to numerous other important firms.



Stop on Signal: Veteran racing drivers demonstrate the distance required to stop a speeding car as part of Montgomery Ward's touring show to educate the public on safe motoring.

Sales and Safe Driving Campaign Mix Well for Montgomery Ward

COMBINING merchandising and public education in safe driving, Montgomery Ward's motorcade is touring the South and West on the first leg of a national campaign.

The caravan, of five autos, three performers, trailers and voice amplifying equipment, played the first of 80 scheduled dates in Oklahoma City. From there it went to Florida, Louisiana, back to Texas, and will head for California by way of Arizona and New Mexico. In the Spring it will return to Chicago headquarters by the Northern route.

An advance man precedes the show to meet Montgomery Ward retail store managers, mayors, police chiefs, editors, Boy Scout leaders and other local and state officials and celebrities. He and the store manager arrange for the roping off of a block in the business section of each town as a show site. Police help in handling the crowds, newspaper stories and radio announcements are also provided for by the advance agent.

Gus Schrader, champion dirt track auto racer, and Lew Brown, another speedway veteran, put on the actual performance in two Ford coupes.



GRAY-O'REILLY

The Heaping Teaspoonful

THE HEAPING TEASPOONFUL is a relic and symbol of the days when good cooks were rare. Good Housekeeping made good cooking a commonplace.

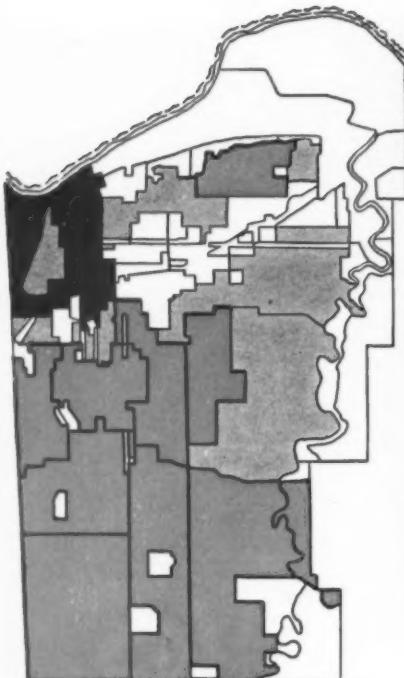
It eliminated all variables—in measurement, in time, in temperature, in method. The heaping teaspoonful with its inherent inaccuracy was the first to go.

However great its other achievements may be, Good Housekeeping has earned undying fame for this one supreme accomplishment. It has taught the women of America to cook. It has made all conscientious cooks good cooks.

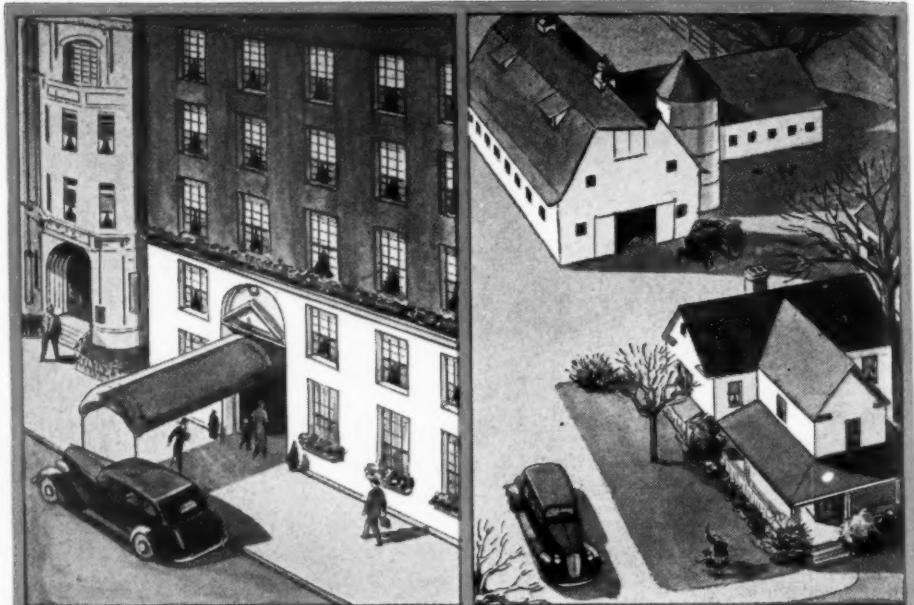
No better background for food advertising is conceivable. No better food medium can ever be found than the magazine that made the cooks.

Good Housekeeping

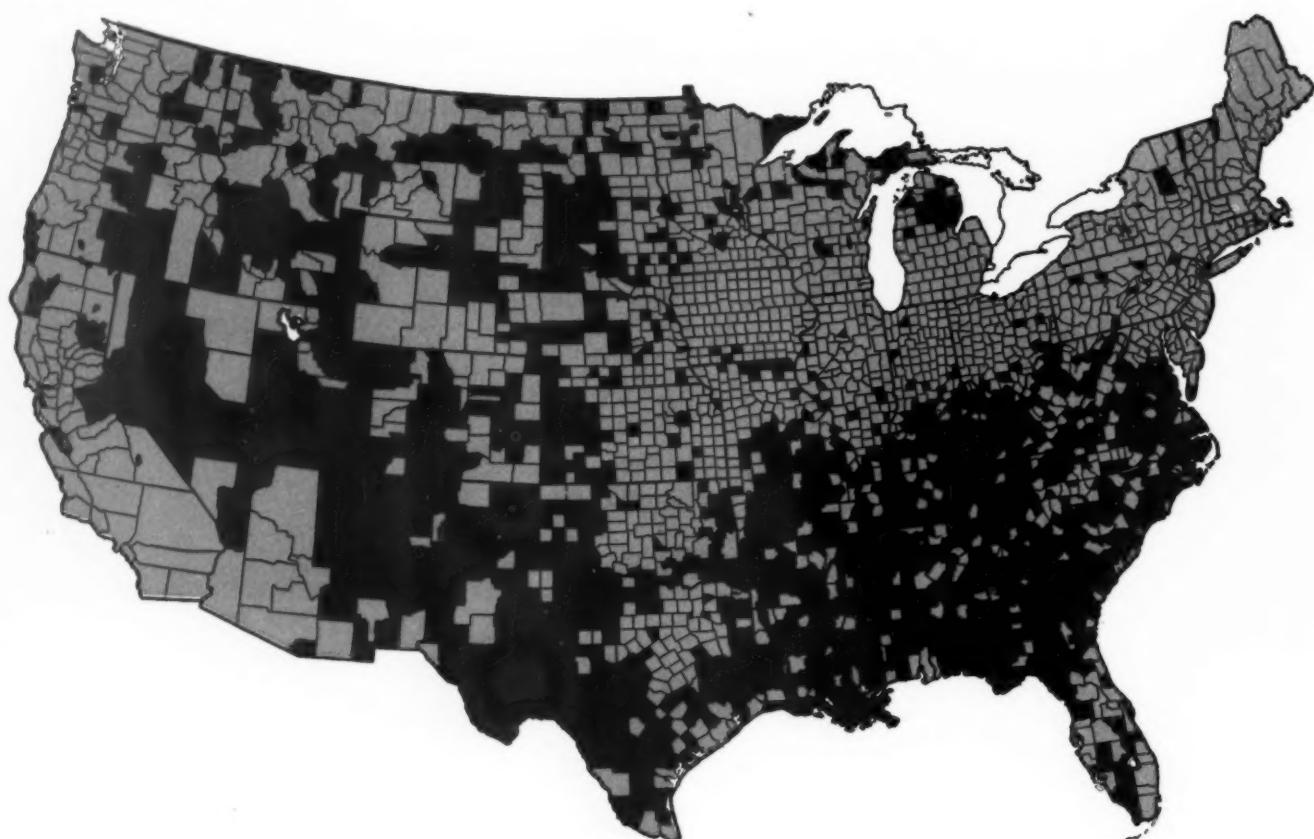
[EVERYWOMAN'S MAGAZINE]



*Buying power map of Kansas City,
neighborhood by neighborhood.*



Heaping up sales and advertising effort on city homes often means neglecting equally desirable homes in places under 10,000 where 40% of national retail sales originate.



"SALES OPPORTUNITIES" and "City Markets," two books developed by the Division of Commercial Research of The Curtis Publishing Company, have generally familiarized sales and advertising executives with the Curtis method of locating the buying power of cities, neighborhood by neighborhood.

Just as there are good and poor neighborhoods in every city, so there are good and poor counties in every state. The red counties (see map above) ac-

count for 92.6% of the nation's retail sales, 97% of U. S. income tax returns, 90.2% of all passenger car sales, 95.4% of domestic electric customers, 76.1% of the value of all farm property and 72.2% of the value of all farm products.

They are the best half of America's counties. In them, *Country Gentleman* concentrates 83.2% of its circulation. None of its circulation is obtained through premiums, clubbing offers or instalment selling.

TO DO A No. 1 Selling Job you need the No. 1 Publication of 40% of the market

FOUR dollars out of every ten spent at retail comes from places under 10,000 population—outside the boundaries of cities against which sales and advertising effort is so intensively directed.

Selling the better families in rural areas is as basic as selling better city families. FIRST FAMILIES FIRST is sound selling policy.

The manufacturer who sells nationally needs a No. 1 selling job in city and country. There is no economy in heaping up sales expense against city families or any other families who are far down in the scale of purchasing power.

The No. 1 families of the under-10,000 market earn more and spend more than millions of city

families. Country Gentleman's ratio of automobile ownership to circulation is 105 per cent. Seventy per cent of Country Gentleman families own homes.

The basic business interests of No. 1 country families differ from those of city families. That is why Country Gentleman, which is edited primarily for the First Families of Ruralaria, serves these important people so much more completely than any other magazine.

Country Gentleman is the No. 1 publication for influencing 40 per cent of ALL sales potential. It will deliver your message in full page size to 1,500,000 First Families every month at a cost of only 3½ cents per family per year.

COUNTRY GENTLEMAN FAMILIES ALONE REPRESENT

	1,578,000 AUTOMOBILES
	378,000 MOTOR TRUCKS
	1,050,000 OWNED HOMES
	1,023,000 ELECTRIC HOMES
	18,443,700 MEALS DAILY

AND THESE ARE THE FAMILIES WHO SET THE PACE FOR RURAL AMERICA

If your product is one most families can use or enjoy, *Country Gentleman* should be one of the first three magazines in your advertising plan.

COUNTRY GENTLEMAN

FAMILY COUNSELOR TO MORE THAN 5,250,000 PEOPLE
. . . Key to 40% of National Sales Potential

THE CURTIS PUBLISHING COMPANY • Philadelphia, Boston, Chicago, Cleveland, Detroit, New York, San Francisco

MARCH 1, 1936

[317]

Advertising Campaigns

[Old and New Products as Promoted in Newspapers, Magazines, Radio and Comic Sections]

Margarine vs. Butter

"Nobody could call me a fussy man," said the King in A. A. Milne's famous poem, "but I do like a little bit of butter on my bread." The National Association of Margarine Manufacturers, however, declares that "butter is a good food for those who can afford it. But margarine, which sells for only half the price . . . contains just as much energy value . . . a wholesome food product made under strictest Government supervision."

The Association is fighting back at efforts of state and national legislators to tax "the spread on the people's bread." In Kentucky, where the lawmakers are debating such a tax, the Association's agency, Erwin, Wasey, ran 2,000-line and page ads pointing out that margarine's "only crime is its great economy."

"It is proposed by selfish interests to increase the cost of margarine in this state 30% by placing a five-cent tax on every pound," continues typical copy in the series. "This tax is just as illogical as a tax on cotton to help the wool grower. . . . The average American citizen should eat at least 36 pounds of table fats every year. Actually we as a people consume only 21 pounds . . . of which 18 pounds are butter and 3 pounds are margarine. . . ."

Purposely Erwin, Wasey forgot its

grammar in the headline to the ad reproduced herewith. Don't think that the E. W. copywriters don't know no better. They were merely using pore folk's language because margarine's best market is among those who can't afford butter and grammatical nicety.

A similar campaign is currently under way in Washington, D. C., to influence national legislators. The 21 leading makers of margarine, who compose the National Association, plan additional appeals to the poor, though voting, populace of other states where taxes are threatened.



TIME ON YOUR FINGERS IS THE NEWEST CRAZE—and so is this new, easy way to keep busy hands soft and smooth. Use Fels-Naptha Soap Chips! There's soothing glycerine in them. And they're the first and only chips to bring you real naptha—the gentle dirt-lesser. Get 'em today at your grocer's.

Such adlets reiterate Fels chips' big space copy.

Fels Chipper Chips

From President Samuel S. Fels to the lowliest apprentice everybody in the Philadelphia plant of the Fels-Naptha Soap Co. is feeling chipper. There are two reasons:

The company has just paid employees a bonus for the 35th consecutive year. Lowest payment is 22½% of the yearly salary.

"As an indication of our confidence that business conditions are better," the firm has brought out Fels-Naptha soap chips.

This happy feeling extends to the Manhattan office of agents Young & Rubicam, where work is in full swing on the campaign. Some 150 newspapers in 18 Eastern and Middle Western states are being used, plus spot radio in 15 cities of the same area. Later on Fels chips will enter other territories.

Insertions run on weekdays only; they vary from 1,800 and 1,200 lines down to 100-line "reminders." The latter contain pictures with a novelty slant and only a few lines of copy. Larger space is filled with cartoons by six celebrated illustrators: Peter Arno,



With taxes threatening, Margarine goes to the people for support.

[318]

E. Simms Campbell, Jefferson Macchamer, Russell Patterson, Hurst and Dorne. With puns, amusing situations and a soupcon of sex appeal (for masculine eyes) the illustrators help put over "the first and only chips to bring you fresh, active naptha."

Early reports say that this chip off the old Fels-Naptha soap block is catching on almost as fast as the chips "whip up into mountains of suds."

Sears' Behemoth

Sears, Roebuck snaps off the rubber band around the bankroll and gets going on a golly-buster Golden Jubilee campaign. Nine and a half million dollars will be spent during 1936 in 851 newspapers of 44 states.

The Jubilee program, "most comprehensive in Sears' history," involves an increase of \$60,000,000 in merchandise purchases; boosting payroll \$7,000,000; purchases from 6,000 industries. President R. E. Wood declares it is "based on a belief in the continuation of the business revival and in the maintenance of improved farm conditions."

Fish in Cans

Unless the printed word has lost its magic, America is going to eat a lot more canned fish. Packers representing more than 91% of the Alaska and Pacific salmon industry are starting a magazine and trade paper drive. And Van Camp Sea Food Co. cuts loose on a tuna toot in newspapers and magazines.

Salmon start leaping in March issues of *Woman's Home Companion*, *McCall's*, *Good Housekeeping*, *Ladies Home Journal*, *Successful Farming*, *Progressive Farmer*, and *Country Gentleman*. Grocery trade journals and a spawn of store display material will do their part. J. Walter Thompson's Seattle office has the account.

Van Camp's White Star and Chicken of the Sea brands of tuna go national for the first time, previous advertising having been restricted to certain sections. Some \$400,000 will be spent in dailies coast to coast and in *S. E. P.* Radio in certain localities is also planned. A prize contest is the featured theme. Emil Brisacher and Staff are in charge.

All Girls

Into the spot vacated by Feen-a-mint on the CBS network glides the "Hour of Charm," Phil Spitalny's all-feminine orchestra. It is sponsored by Sales Affiliates, Inc., and the Marinello-Zotos group of beauty shops.

Zotos method of permanent hair
(Continued on page 334)

SALES MANAGEMENT



TO BEAUTIFY A MILLION WOMEN IN *the Journal Part of New York*

ONLY one way to sell them all of their rouges and creams and lipsticks; their facials and permanents and manicures; their wave-sets and lotions and soaps . . .

Only one way to reach ALL of these more than a million women in 675,000 fine New York homes . . .

For there is only one great preference that ALL of them have in common: they read the New York Evening Journal. It is *their newspaper* today, as it has been for forty years.

These are the Women of THE JOURNAL PART OF NEW YORK, a city within a city. Instinc-

tively you know that they are a group apart . . . for they prefer the Journal . . . and no other New York paper is like the Journal.

These are the women who have been "brought up on the Journal." They like its way of presenting news, its comics, its abundance of photographic illustrations. Journal feature writers are their old friends. Journal editorials help mold their opinions.

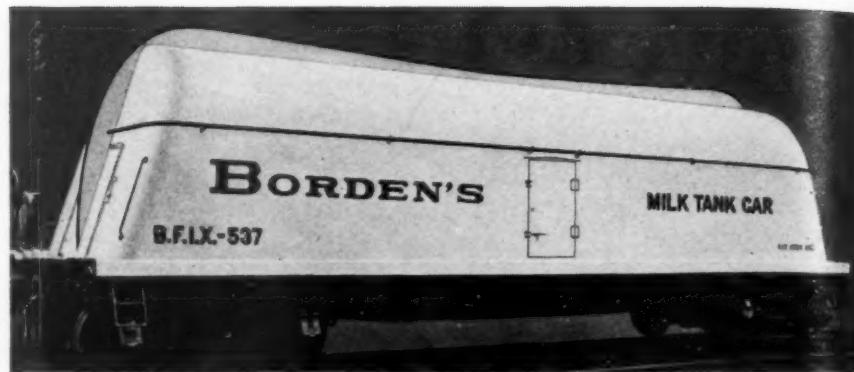
Their patronage may well mark the difference between profit and loss for any manufacturer of beauty aids. In fact, it has done so for many. If this seems important, remember that there is Only One Way to reach them . . . *the Journal*.

NEW YORK EVENING JOURNAL

NATIONALLY REPRESENTED BY HEARST INTERNATIONAL ADVERTISING SERVICE, RODNEY E. BOONE, GENERAL MANAGER
MARCH 1, 1936



Giant Thermos Bottle: Of steel and fused aluminum, Borden's milk tank car has six inches of cork insulation between its two 12,000 quart glass lined tanks and the metal outside. Hence milk may be shipped 200 miles with a rise of only one degree in temperature. Milk is pumped from the car to tank trucks and never is exposed to the air. All future replacements to the present Borden fleet of railroad cars will be of this streamline type.



Feature Inexpensive Household Articles in Your Premium Offers

BY R. G. DROWN, JR.

SALES and advertising managers whose firms are now offering premiums through the medium of the standard redemption catalog, or who are contemplating such an offer, can profit from a close study of the type of articles and the price range adopted by "veterans" in this field.

Such a veteran is the American Coffee Co., Inc., of New Orleans, roasters of St. Charles, Morning Joy, French Opera and French Market coffees. In some 30 years of using premiums this firm has seen the premium industry (and if you doubt that it should be called an "industry" bear in mind that \$400,000,000 will be spent for premiums in 1936) make rapid strides.

As various premium methods have been introduced, this Southern firm kept pace by testing them, but the foundation of their successful program remains the standard catalog from which the housewife selects premium articles, saves the coupons she gets in each pound of coffee, and mails them in for redemption of free premiums.

In determining the type of article to be listed in future catalogs the American Coffee Co. is guided by figures compiled on their redemptions

during 1935. Similar statistics enable them to decide the value which must be placed on each item if it is to "pull" as it should.

Company officials know, for instance, by referring to the tables (reproduced in part) that 69% of their redemptions last year were articles used in the home: Inexpensive items like teaspoons, paring knives, measuring cups, scissors and biscuit cutters with a price range of from 10 to 25 cents.

With economical kitchen utensils in the lead and other home items next in line, premiums appealing primarily to women, to men and to children fell far behind in the 1935 premium program. Women's articles accounted for 16% of the total redemptions, although they brought in 20% of the

coupons that were returned. This is explained by the fact that items like jewelry and hosiery, which were most popular in this class, require more coupons than do the household premiums named previously. In all, the household premiums, while making up 69% of the total redemption, "pulled" only 54% of the coupon returns.

Men leaned mostly toward such premiums as military brushes, pen knives, socks, watches and garters, and gave little consideration to more personal articles such as shirts, ties, handkerchiefs, jewelry and pipes. The total redemptions by men amounted to but 9%, and were responsible for 15% of the coupons redeemed.

Though the American Coffee Co. experienced considerable success with children's premiums—toys of various

Percentage of Premium Redemptions Determined in Accordance with the Number of Coupons Required for Each Article

Price Range	% Redeemed	% of Coupons
Under 25 Coupons	50%	20%
26-50 Coupons	30%	28%
51-100 Coupons	16%	33%
More Than 100 Coupons	4%	19%
	100%	100%

Percentage of Premium Redemptions Determined in Accordance with the Type of Article Offered

Articles for the Home	% Redeemed	% of Coupons
" " Women	69%	54%
" " Men	16%	20%
" " Children	9%	15%
" " Children	6%	11%
	100%	100%

Explanatory Note: 69% of the articles redeemed (Col. 1) were premiums for use in the home but only 54% of the coupons redeemed (Col. 2) were for household articles.

kinds—as special offers with a few coupons and a nominal cash payment, such appeals made very little impression as far as their regular list was concerned. Children received the least consideration of all groups from the consumers responsible for ordering premium merchandise, only 6% of the total redemptions being for goods of this type, with 11% of the total number of coupons involved.

(Continued on page 335)

SALES MANAGEMENT

*Some products
have a way of
disappearing . . .*



AND some products thrust themselves into shoppers' eyes . . . into shoppers' hands. Good packaging does the first, good display the second.

Because we have been closely associated with packaging and package merchandis-

ing for so many years, we may be able to help you attract eyes, move hands, towards your product.

A letter to us will put our experience to work on your product problem—and will not obligate you in any way.

Each Tuesday Night
N. B. C. WJZ Network
BEN BERNIE "and all the lads"
Sponsored by
AMERICAN CAN COMPANY

MARCH 1, 1936

AMERICAN CAN COMPANY

230 PARK AVENUE, NEW YORK

How Magazines Differ—as Shown by City Preferences

(Continued from page 296)

the index of regularity for the 21 magazines which are being studied. Theoretically a magazine could get a rating of 100% if the 19 cities in which it is read most coincided with the 19 cities most prolific in general reading, and if the 19 cities in which it is read least were also the 19 cities least prolific for all of the magazines. Contrariwise, the index of regularity would be zero if there was absolutely no connection between the general trend of reading and reading of the individual magazines. A negative index means that the trend of circulation of the magazine is contrary to the general trend of reading and minus 100 would be an extreme where all of the non-prolific cities were the largest readers of a specific magazine and all of the prolific cities read the least. The study results in the following table:

Index of Regularity

<i>Saturday Evening Post</i> (see notes) ..	100%
<i>McCall's</i>	79
<i>Collier's</i>	71
<i>Good Housekeeping, American, Red-book</i>	66
<i>Time</i>	63
<i>Liberty, Woman's Home Companion, Vogue</i>	58
<i>House & Garden, Cosmopolitan</i>	55
<i>Detective Group</i>	53
<i>National Geographic, Vanity Fair</i>	50
<i>Esquire</i>	47
<i>Christian Science Monitor</i>	45
<i>Literary Digest</i>	37
<i>Atlantic Monthly</i>	31
<i>Popular Mechanics</i>	29
<i>True Story, Better Homes & Gardens</i> — 5	

The majority of magazines follow the general trend of reading interest. Readers shouldn't take the small differences in percentage too seriously because the rough procedure was designed only to give the main outlines of the picture.

However, it does seem reasonable to assume that *McCall's*, *Collier's*, *Good Housekeeping*, *American, Red-book* and *Time*, for example, are magazines which are read most in prolific cities and relatively least read in non-prolific cities. On the other hand, *Esquire*, *Christian Science Monitor*, *Literary Digest*, *Atlantic Monthly*, *Popular Mechanics*, seem to follow a trend quite different from the general trend of readership. *True Story* and *Better Homes & Gardens* are markedly irregular and are on the minus side—their circulation trends

are contrary to the general trend of reading. In other words, they seem to have the least amount of potential duplication with the other magazines.

The *Saturday Evening Post* circulation was not analyzed at the time the others were broken down, and therefore that magazine is not included in the two large tables. However, a supplementary analysis was made which shows that the *Post* has a perfect index of regularity—there is no prolific city where its circulation is low; no non-prolific city where its circulation is high.

Through the method explained in connection with Table I, we get what might be called a *magazine profile* of the 76 cities. A glance at the table shows which magazine's circulation is high, very high, low and very low in each city. We call it a "profile" because it gives the relative importance of the magazines in each city. Actually, of course, *Good Housekeeping* has a higher circulation in each city than *Atlantic Monthly*. However, we find many cities in which *Good Housekeeping* has a minus and *Atlantic Monthly* a plus because, relative to the general circulation of these two magazines, *Atlantic Monthly* is more popular than *Good Housekeeping* in these particular cities.

From this table readers can get a picture of the differences between both cities and magazines. In connection with the latter, let's compare *True Story* and *Vogue*.

True Story has greatly above-average strength in Akron, Baltimore, Buffalo, Canton, Chattanooga, Elizabeth, Fall River, Jersey City, Knoxville, Lowell, Newark, Norfolk, Paterson, Providence, Reading, Scranton, St. Louis, Toledo, Trenton and Utica. . . . Its standing is greatly below-average in Columbus, Dallas, Denver, Duluth, El Paso, Grand Rapids, Houston, Indianapolis, Los Angeles, Minneapolis, Oakland, Portland, Oregon, Salt Lake City, San Antonio, San Francisco, Seattle, South Bend, Spokane, Tacoma, Tulsa and Wichita.

Vogue has circulation markedly above-average strength in Dallas, Hartford, Houston, Kansas City, Providence, San Francisco, Tulsa, Worcester, and New York. . . . It is below-average in Akron, Flint, Gary, Newark, Norfolk, Oakland, Omaha and Peoria.

Indicative of the differences between these two magazines: (1) Only one

of *Vogue's* high cities is among *True Story's* high cities; (2) four of *Vogue's* highest cities are among *True Story's* lowest; (3) three of *Vogue's* lowest are among *True Story's* highest and (4) only one of *Vogue's* lowest cities coincides with a *True Story* low-

est. The following comparison of Detroit and Los Angeles shows marked differences in the reading habits of the people of two cities which have almost identical population:

A "Profile" of Two Cities

Magazine	Detroit	Los Angeles
<i>True Story</i>	high	very low
<i>Macfadden Detective group</i>	very low	high
<i>National Geographic</i>	very low	high
<i>Atlantic Monthly</i>	very low	low
<i>Good Housekeeping</i>	average	low
<i>Liberty</i>	low	very high
<i>McCall's</i>	high	low
<i>Redbook</i>	high	low
<i>Woman's Home Companion</i>	high	very low
<i>American</i>	low	very low
<i>Collier's</i>	low	low
<i>Time</i>	low	high
<i>Better Homes & Gardens</i>	high	low
<i>Vogue</i>	low	high
<i>Vanity Fair</i>	high	high
<i>House & Garden</i>	low	low
<i>Christian Science Monitor</i>	very high	very high
<i>Cosmopolitan</i>	high	high
<i>Popular Mechanics</i>	very high	low
<i>Esquire</i>	very high	very high
<i>Literary Digest</i>	low	high

On 13 out of the 21 magazines there is complete disagreement between the two cities! Detroit takes to *True Story*; Los Angeles doesn't. Los Angeles embraces *Liberty*, another Macfadden magazine; Detroit doesn't. The two cities do agree, however, on the highly contrasting *Esquire* and *Christian Science Monitor*.

As pointed out above, most of the magazines have a circulation trend which follows a general amount of reading interest in the different cities, but the data shown up to this point do not tell us very much about how the circulation of Magazine A compares with that of Magazine B. Dr. Lazarsfeld submits the following simple comparison which can be drawn from the large table in this issue to show similarities and dissimilarities. Read across for *Esquire*; down for *Vanity Fair*.

Number of Cities Where the Circulation Is Relatively High (plus) or Low (minus)

	Esquire		38
	plus	minus	
<i>Vanity Fair</i> plus	25	13	38
<i>Vanity Fair</i> minus	10	28	38
	35	41	76

True
of
True
que's
hest
west
low-

De-
rked
the
al-

s
geles
v

h

nes
be-
akes
n't.
her
n't.
on
nd

the
nd
of
es,
int
ow
m-
Dr.
ng
be
is-
ni-
e;

—
on

88
88
76
—
T



THE PRESS *published*

more advertising in 28 of the
36 Media Records classifica-
tions than any other Pitts-
burgh newspaper . . . and in
16 of 36 classifications, The
Press published more adver-
tising than the other two
papers *combined*.

Authority: Media Records figures, exclusive of non-com-
petitive advertising and lineage sold on the group basis

The index of Business Activity in the Pittsburgh
District during January stood at 73.7% of nor-
mal, an increase of 11% over the same month a
year ago . . . and a gain of 83% over March, 1933,
the low month. Source: Bureau of Business Research, University of Pittsburgh.

The Pittsburgh Press

A Scripps • Howard Newspaper

NATIONAL ADVERTISING
DEPARTMENT OF
SCRIPPS-HOWARD
NEWSPAPERS
230 PARK AVENUE, N. Y. C.



MEMBER OF THE UNITED PRESS
AUDIT BUREAU OF CIRCULATIONS,
THIS WEEK, METROPOLITAN
SUNDAY NEWSPAPERS and of
MEDIA RECORDS, INC.

CHICAGO • SAN FRANCISCO • LOS ANGELES • DALLAS • DETROIT • PHILADELPHIA • ATLANTA

MARCH 1, 1936

[323]

We see that *Esquire* and *Vanity Fair* have a rather similar circulation. In the majority of cities where *Esquire* is strong—25—so, too, is *Vanity Fair*. Now we take *True Story* and *Cosmopolitan*.

Number of Cities Where the Circulation Is Relatively High (plus) or Low (minus)			
		Cosmopolitan	
	plus	minus	
True Story	plus 11	30	41
minus 27	8	35	
	38	38	76

True Story and *Cosmopolitan* have a relative standing in the 76 cities which is decidedly dissimilar. Only 11 of *Cosmopolitan*'s plus cities coincide with those of *True Story*, and 27 of its plus cities are among *True Story*'s minus, or low, cities. So it is obvious that where *True Story* is relatively much read, *Cosmopolitan* is relatively little read, and vice-versa.

*The index we are actually using is the so-called co-efficient of Yule. We take our schedule in the following generalized form:

$$\begin{array}{ccc} \text{plus} & \text{minus} \\ \text{plus} & a & b \\ \text{minus} & c & d \end{array}$$

Then our index is computed as

$$Q = \frac{ad - bc}{ad + bc} \cdot 100$$
. This index Q varies from plus 100 (which means completely similar distribution) to minus 100 (which means completely reverse distribution.)

These tables give us a basis for computing an index which is not the same as the one previously used (for certain mathematical reasons) but which has a very similar meaning.* We don't want to bother with too many figures which are only rough measures. Therefore we again use symbols.

The table (Number 2) headed, "How Each of 21 Magazines Compares with the Others," gives in symbolic form the results of this index. The "thumbs up" symbol is used to denote similarities in the circulation of specific magazines, and the "thumbs down" to denote dissimilarities in circulation. Where circulations are very similar or very dissimilar, two symbols are used. Wherever there is little or no connection between the circulations of two magazines there is a blank space.

From the detailed figures we have constructed the following groupings of magazines having a very similar or a very reverse type of circulation.

Magazines as 76 Cities See Them

The following groups of leading similarities and dissimilarities are based upon the city rankings. *Cosmopolitan* and *Redbook*, for example, are relatively strong in the same cities—but where *National Geographic* is much read, *Redbook* is relatively little read. The pairs are printed in the order of their co-efficient (see footnote for formula).

10 Most Similar

- 1 *Redbook*—*Cosmopolitan*
- 2 *Good Housekeeping*—*Cosmopolitan*
- 3 *American*—*Woman's Home Companion*
- 4 *Vogue*—*Vanity Fair*
- 5 *Esquire*—*Vanity Fair*
- 6 *Esquire*—*Vogue*
- 7 *Collier's*—*American*
- 8 *National Geographic*—*Atlantic Monthly*
- 9 *Collier's*—*Woman's Home Companion*
- 10 *Liberty*—*Macfadden Detective Group*

10 Most Dissimilar

- 1 *Redbook*—*National Geographic*
- 2 *True Story*—*Cosmopolitan*
- 3 *American*—*Literary Digest*
- 4 *Woman's Home Companion*—*Literary Digest*
- 5 *Better Homes & Gardens*—*Vogue*
- 6 *True Story*—*Christian Science Monitor*
- 7 *Woman's Home Companion*—*Atlantic Monthly*
- 8 *Redbook*—*True Story*
- 9 *Woman's Home Companion*—*Esquire*
- 10 *Cosmopolitan*—*Atlantic Monthly*

Magazines which show relatively little similarity with other magazines (not appearing in the above table of "10 most similar") : *True Story*, *McCall's*, *Time*, *Better Homes & Gardens*, *House & Garden*, *Christian Science Monitor*, *Popular Mechanics* and *Literary Digest*.

The magazines whose distribution is most similar to the *Saturday Evening Post* are *Macfadden Detective Group*, *National Geographic*, *Atlantic Monthly*, *Liberty*, *Colliers*, *Time*, *Christian Science Monitor*, and *Esquire*. *Woman's Home Companion* is dissimilar, and *Better Homes & Gardens* is very dissimilar.

Table II: How Each of 21 Magazines Compares with the Others

	Esquire	Popular Mechanics	Cosmopolitan	Christian Science Monitor	House and Garden	Literary Digest	Atlantic Monthly	National Geographic	Macfadden Detective Group	True Story	Vanity Fair	Vogue	Better Homes and Gardens	Time	Collier's	American	Red Book	McCall's	Woman's Home Companion	Good Housekeeping	Liberty
Esquire																					
Popular Mechanics	▼		▼																		
Cosmopolitan																					
Christian Science Monitor																					
House and Garden																					
Literary Digest	▲																				
Atlantic Monthly																					
National Geographic																					
Macfadden Detective Group	▼		▲	▲																	
True Story	▲▲	▼	▲▲	▲																	
Vanity Fair																					
Vogue	▲▲		▲																		
Better Homes and Gardens	▲																				
Time																					
Collier's																					
American																					
Red Book	▲	▼	▲▲																		
McCall's																					
Woman's Home Companion																					
Good Housekeeping																					
Liberty	▲																				

% of negroes.....	0.0- 1.99	2- 4.9	5-24.9	25-44.9
Number of cities.....	20	23	25	8
Median Rank.....	28	38	37	38
% of foreign-born.....	0.0- 9.9	10-24.9	25-39.5	40-59.9
Number of cities.....	21	20	17	18
Median Rank.....	33	31	37	51
% of negro and foreign-born..	0.0-19.9	20-29.9	30-44.9	45-64.9
Number of cities.....	14	20	22	20
Median Rank.....	31	30	38	49

Do Negroes and Foreign-Born Distort the Picture?

Several readers have commented on the fact that the circulation figures in the February 15 installment were projected against the total number of families in each city. The suggestion has been made that the picture would look quite different if the comparison were made only with native white families.

The table at the top of this page gives the answer. Bear in mind that the rankings of the 76 cities range from 13 high to 65 low.

The first table groups the cities according to percentage number of Negro families; the second according to percentage number of foreign-born whites; the third table has Negroes and foreign-born together. Population figures used are from the 1930 census.

The influence of both Negroes and foreign-born is decidedly smaller than the influence of the size of the city (see page 262, February 15). Only those cities which have very few Negroes are markedly more prolific in their magazine reading and only those cities with very many foreign-born families are less prolific.

It seems apparent that the size of a city is the most potent factor in determining the amount of magazine reading and closely following this is the difference between highly industrialized cities and those with populations which are more diverse as to occupation.

Note to magazine publishers and advertising agencies: Dr. Lazarsfeld tells us that it is possible to make further breakdowns and cross-checking on the magazines that are analyzed here-with and also to work up similar data on other magazines. Arrangements may be made through the editor to have this work done on a cost basis by the research center of the University of Newark.

Correction on Part I

Correction in Table II, Page 220, Issue of February 15: In this table called "Magazine Extremes in Circulation," the low point in *Liberty* circulation was given as Buffalo with 136 copies per 1,000 families. This should be corrected to read Jersey City,

with 61.5 copies and a percentage of low to high of 24.1%. With this correction *Popular Mechanics* becomes the most uniformly distributed magazine in the 76 cities with its low city being 33.5% of its high in terms of circulation per 1,000 families.

Furniture Business Shows Gain

All records for attendance at the Winter market held by the furniture industry at the American Furniture Mart, Chicago, just completed, were broken this year. The old record, 8,179 buyers registered, was made 11 years ago. The new record is 8,207 buyers and these represented 4,638 stores in 47 states, the District of Columbia, Canada, Japan, England and Mexico.

The increase in number of buyers was 31.6% over the Winter market a year ago and various exhibitors report sales up all the way from 25% to 250%. Attendance of Canadian buyers was up more than 100% as compared with a year ago. This is attributed to the recent trade agreement between the United States and Canada.

The former duty on furniture to Canada, 45% ad valorem, had practically driven Canada out of the market.

HOUSTON 15th In America IN INCOME TAX RETURNS

People can't buy your product unless they have money and the best way to find out who has it is to check the income tax returns to the United States Government.

According to *SALES MANAGEMENT'S* study of the ninety-seven major counties in the United States, Harris County, in which Houston is located, ranks 15th in America in income tax returns per thousand people. (1933 figures, which are the latest available.)

The families in Houston and its fertile trade territory have money to spend and spend it. That's why Houston leads all cities in Texas in retail sales. See Government Retail Census report for 1933. (The latest available.)

The Houston Chronicle alone can do a real job for you in this rich market. Last year 555 or 59% of all the national advertisers who used space in Houston confined their advertising to one newspaper. Of this number 404 or 73% used The Houston Chronicle exclusively.

THE HOUSTON CHRONICLE

"Largest Daily in Texas—Lowest Milline Rate"

Carries More National Advertising than any other Texas Newspaper

R. W. McCARTHY
Manager National Advertising

THE BRANHAM COMPANY
National Representatives

Patman Bill Fireworks Open Discussion of Swiss and German Chain Store Laws

NOTHING else on the legislative schedule promises anything like the fireworks which may come out of Representative Patman's chain store bill. Within a couple of weeks the Senate may pass the companion bill (S.3154) and hand the whole problem to the House. If this happens, and it is likely, the chances for final enactment at this session are an odds-on-bet. Some of our local scribes have said that the House Committee will pigeonhole the bill if the Senate passes it. There is no pigeonholing agreement that I can unearth and, moreover, Wright Patman hasn't slackened his pace and doesn't intend to be stopped.

60 Senators Already "Pro"

To get back to possible Senate passage for a moment, let me quote from a *Congressional Intelligence* re-check of their own poll which was made for S.M. More than 60 Senators favor passage of some sort of price discrimination measure. That type of strength prior to floor debate (remember the bill has not yet reached the debate stage in the Senate at this writing) usually means only one thing—ultimate passage. Have checked into the House picture and find no real bloc opposed to passage.

Hence, with an unusually strong majority on the Senate side for passage and with the House opposition leaderless (as compared with the vehement leadership of proponent Patman), I have taken the next logical step and checked into the research end to find out whether or not this type of legislation is new or whether or not other countries have done the same thing before and, if so, with what result.

This proved to be the most interesting phase I have run into on the chain store subject to date.

Germany and Switzerland have both had a Mr. Patman. Both have legislated against price discrimination practices. And they've been at it long enough to present a parallel of sorts.

My best source of information on the German and Swiss laws turned out to be an authority on American merchandising methods as well as a person with wide knowledge of the German and Swiss price discrimination laws. I asked him to sit down and

write me a letter giving his views. And, although his views are pretty strong, and he asked to remain incognito, I am including it here because it's a new slant and predicated on more practical knowledge than most of us have. Here is his letter:

A curious parallel between recent German history and what is in store for America can be found by studying the price discrimination situation in these two countries.

In the United States the important rise of the chains during the past 20 years has pinched the independent to the point where he has begun to talk loudly to his representatives in Congress. There are so many independents, and their political power is so well worth considering, especially in a presidential year, that the protection of the small store man has become a popular cause. Senators Robinson, Borah, and Van Nys, and Messrs. Patman, Mapes, and Utterback in the House, have noted the reaction of their constituents and have organized for action.

There is no question here of the need for protection against immoral and manifestly unfair practices. The small retailer went hand in hand with the pioneers and developed the country, and now, for various reasons, he has become entangled in the sweep of mass distribution in the wake of mass production. It is natural that he should ask his representatives for help.

But if his representatives are asked for help and give him in return nothing more than a treatment of his symptoms, if they neglect the fundamental problems which have put him into his present predicament, then he will have little to thank them for in the future.

Hitler's Anti-Chain Laws

That is what has happened in Germany. Hitler has threatened to dispense with large-scale distribution in Germany. He has taken a number of steps in that direction. If he has not yet fully kept his promise, the chances are good that he has not yet needed to call out this last rabbit as a trick of political legerdemain.

In America the first suggestion was to prohibit obviously unfair abuses due primarily to large buying power. This was found in the first Mapes bill, and can be traced right through the succession of seven bills that have been offered to the Congress during this session. As the small retailers, and their first cousins the wholesalers, rallied to the support, the original intention has been stretched to include other ways of setting up hurdles for the larger establishments. Apart from taxation, which is entirely a separate problem, the proposals to limit quantity discounts to those which can be justified by differences only in selling cost, not counting differences in manufacturing cost, are additional steps in the same direction. The Robinson bill puts the whole matter of

quantity discounts into the lap of the Federal Trade Commission, and nobody in Washington envies the prospect of that board in solving the many accounting problems involved.

Trade papers recently carried a reporter's interview with Mr. Patman, who is easily the best known name in the fight against discrimination. Mr. Patman is reported to have found some additional loopholes in the proposed legislation, and may introduce additional bills to plug the loopholes. If a contract such as the Sears-Goodyear arrangement for tires becomes illegal, either because the Federal Trade Commission issues a cease-and-desist order or because Senator Robinson's bill is accepted by the House, then Sears presumably must enter the business of manufacturing tires or lose an important and profitable line. Mr. Patman said in his interview that it may be necessary to prevent the chains from manufacturing, and to prevent manufacturers from establishing retail outlets.

This, again, is what happened in Germany. Hitler stopped all expansion of existing organizations and forbade the beginning of new ones. The same thing happened in Switzerland, by means of a Federal law. But Hitler did what no Swiss could do, and what no American of today would attempt: He ordered all his followers to boycott the department stores, the chains, and the cooperatives.

Will Independents Gain?

There is still another parallel. Hitler prohibited service departments in department stores. He made it impossible for them to offer services like watch repairing, optical departments, workrooms, restaurants, and soda fountains. Similar laws have been proposed in many states. Colorado and Wisconsin already have enacted laws to keep the merchants out of the restaurant business, and others have been proposed for New York and Massachusetts.

What will be the effect of these plans? Will the small merchants—and their allies, the wholesalers—accomplish what they want by a law to prevent expansion? It seems impossible. Rather, the situation will be frozen. Sears and Ward and other chains which already harbor efficient manufacturing plants will discover that they are in a new paradise of which they had not dreamed, for they will have a legal guarantee against any new efficient competition of their own kind.

What does it mean? It means simply that the political and the economic forces have locked horns. The immediate political interest will, if it can, set the economic clock back, and the recent tendencies toward mass distribution will be retarded. Even if the small merchants denied the lower distribution costs of the large-scale methods, the facts could show them. But the small merchants are thoroughly within their rights when they say "That isn't the point! What are we to do, when you can buy nails from Sears cheaper than we can get them from the manufacturer? Must we all sell out and go to work for the chains?"

Probably, in the end, the consumer will decide what is to be done with the chains. He is not an articulate person, but he votes with his pocketbook when he is allowed. And the real conflict will come when the consumer is asked to decide whether he would rather buy cheap nails and tires and bicycles than to live in a country of small

do you deal with advertisers?

9201 advertisers

—national—including liquor advertisers with brands—are listed accurately in the National Directory of Advertisers, with complete personnel, agency connection, media used, lists, distribution data and appropriations.

1486 agencies

are listed in the N. D. A. directories of Advertising Agents, with personnel and accounts.

constant corrections

are supplied to you in supplements and bulletins sent to you regularly by us. Write for information and prices on this valuable service.

National Directory of Advertisers BLUE BOOK

THE JAMES McKITTRICK CO., INC.

200 HUDSON STREET

Telephone—Walker 5-6856

NEW YORK, N. Y.

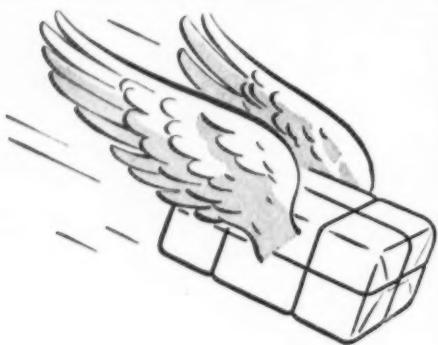
75 EAST WACKER DRIVE

Telephone—Randolph 1100

CHICAGO, ILL.

MARCH 1, 1936

[327]



PRESTO!

And Your Shipments
reach any point in
the U. S. overnight

by

AIR EXPRESS

Wipe out the handicap of time and distance by Air Express. Order by wire or phone today, and even though your shipments may have a 2,500-mile trip to make, Air Express will bring them to you *overnight*.

ADVANTAGES OF NEW NATION-WIDE AIR EXPRESS

- * Prompt pick-up and special delivery of shipments at no extra charge door-to-door—between 215 cities in the U. S. and Canada and, to 32 foreign countries.
- * Fast, co-ordinated service between swift trains and planes now extends Air Express speed to 23,000 Express offices throughout the country.
- * Deliveries up to 2,500 miles overnight—coast-to-coast—border-to-border.
- * Low, economical rates.
- * Night and day service.
- * Shipments accepted prepaid, collect, or C. O. D. Prompt remittances.

Merely telephone any Railway Express office for prompt service or information.

AIR EXPRESS

DIVISION OF

RAILWAY EXPRESS AGENCY

storekeepers who can hold up their heads and declare they are still independent.

Here's a grand note which came to my attention today. The Alabama legislature has passed a law taxing certain articles such as refrigerators, radios, sporting goods, etc. When it became apparent that the law was destined for unpopularity, they authorized an appropriation of \$1,000,000 to strengthen and expand their penal institutions to take care of the merchants who didn't comply and pay *Hauk* the tax.

These Packages Won Honorable Mention in Wolf Awards

In most of the classifications in which awards were made in the Irwin D. Wolf package competition, various packages, in addition to the winner, were selected for special honorable mention. For winners see pages 294 and 295.

Honorable mentions in the various classes are listed below:

For the most effective package employing a single color: Honorable mention to Men's Stationery package, entered and used by Montgomery Ward & Co. Design by Bureau of Design, Montgomery Ward.

For the most effective use of more than one color: Honorable mention to Perfect Circle Oil Rings, entered and used by Perfect Circle Co. Design by Dwight Reynolds.

For the most effective use of typography and/or lettering: Honorable mention to Prido Shortening No. 3, entered and used by John Morrell & Co. Design by Harry H. Farrell. Also to Macy's Mocha and Java, entered and used by R. H. Macy & Co., Inc.

For the most effective use of the elements of design to create shelf visibility in the retail store: Honorable mention to Hoffmann Products, entered and used by A. H. Hoffmann, Inc. Design by John A. Farmer. Also Prido Shortening No. 3, entered and used by John Morrell & Co.

For the most effective redesigned package (based on comparison of old package with new): Honorable mention to Merck Milk Sugar, entered and used by Merck & Co., Inc. Design by Joseph Sinel. Also Hercules Steam-Distilled Wood Turpentine, entered and used by Hercules Powder Co. Design by Theodore Marvin. Also Hewitt's Dog Soap, Hewitt Soap Co. Design by H. F. Kurth. Also Rumford Baking Powder, entered and designed by Martin Ullman, used by the Rumford Company. Also Macy's Red Star Coffee, entered, used and designed by R. H. Macy & Co.

For the most effective use of merchandising ingenuity regardless of artistic qualities: Honorable mention to Brush Display, entered and used by The Sherwin-Williams Co. Design by American Can Co.

For the most effective package designed to add to consumer convenience regardless of artistic qualities: Honorable mention to Sohio Cleaning Fluid, Standard Oil Co. of Ohio. Design by Aluminum Seal Co.

To the most effective use of layout and/or decorative design, with particular emphasis on both merchandising value and beauty: Honorable mention to Stationery, entered by Montgomery Ward. Design by Bureau of Design, Montgomery Ward. Also Joan Miller Pine Bath, entered and used by Pennsylvania Drug Co. Design by Joe Griffiths. Also Furniture Polish, entered by S. C. Johnson & Son, Inc. Design by E. W. Jones, of Needham, Louis & Brorby, and Owens-Illinois Glass Co. Also Semadac Liquid Gloss, Standard Oil Co. of Indiana. Design by Andrew Henkel.

For the most effective family of packages: Honorable mention to Powermaster Batteries, en-

tered used and designed by Sears, Roebuck & Co. Also Hoffman Products family, entered and used by A. H. Hoffman, Inc. Design by John A. Farmer. Also Rumford Company family. The Rumford Company. Design by Martin Ullman.

For the most effective shipping container from the standpoint of the employment of good design: Honorable mention to Magazine Wrap for Shipping Magazine, entered by Fortune, Inc. Design by R. Ruzicka of Arthur S. Allen.

For the most effective shipping container from the standpoint of merchandising and construction ingenuity: Honorable mention to Channel-Vent Chick Box, Hoff & Co., Inc. Design by Brunt & Co.

For counter display pieces that most effectively contribute to the selling of a unit package: Honorable mention to Rymplecloth Counter Display, entered by Kendall Mills.

Retail Sales Up 14% in 1935 Over 1934, Says Commerce Head

According to preliminary estimates announced today by Alexander V. Dye, director of the Bureau of Foreign and Domestic Commerce, retail sales are estimated to have gained 14% in 1935 over 1934, to reach a grand total of \$32,600,000,000. The estimates were prepared by Nelson A. Miller, chief of the Retail Trade Section of the Marketing Research and Service Division.

According to this estimate, total retail sales last year were 66% of the 1929 census. Jewelry stores did only 43% of their 1929 business, while restaurants, eating and drinking places did 99%. Included in the latter total are beer and liquor sales which, of course, were not included in the bootleg era. Other divisions of retail sales did the following percentage of 1929 sales: Food group, 74; country general stores, 56; department and dry goods stores, 70; mail order, 77; variety, 84; apparel, 58; automotive, 70; furniture and household, 50; drug, 75; miscellaneous, 53.

The largest gains in sales during 1935 over 1934 were represented by catalog business of mail order houses, 26%, and automotive dealers, 25%. Furniture and household group gained 21%; lumber, building and hardware, 20%; restaurant, 18%; and jewelry stores, 15%.

Prizes for Best Sales Plays

The New York Sales Executives' Club is preparing to sponsor a series of awards for the best sales plays of the year—a sort of Pulitzer Prize in business clothes. The awards will be donated by K. M. Goode, president of the club. Judges now being selected will include prominent sales managers, dramatic critics, etc.

Companies are invited to present their plays before any regular meeting of the Sales Executives' Club at the Hotel Roosevelt, New York. Correspondence should be sent to Harry Cook, Chairman, Sales Play Committee.

Marketing Flashes

(Continued from page 304)

ton to Atlanta to become sales and ad mgr. of the Blosser Co., maker of medical cigarettes. He is a specialist in industrial market research, serving the New England Council, the Massachusetts Dept. of Agriculture, newspaper groups and others in that capacity. Now he will extend Blosser advertising here and also that of the English subsidiary.

Don Smith, in charge of advertising and sales promotion for Wilson & Co., Chicago packers, is appointed mgr. of the canned meat department. J. Hausman steps into his post.

Beware of "Quints"

Manufacturers who are considering naming perambulators, toys or anything else "quins," "quints" or "quintuplets" should walk gently, stop, look and listen. I. Lawrence Lesavoy, head of Blossom Products Corp., New York and Allentown, Pa., asserts he has registered these words with the Patent Office. Even the five little Dionnes can't monkey with Reg. U. S. Pat. Off.



The lady's costume reproduces newspaper front pages. It is one of the many specially designed for the Lux-McCall fashion show.

Lux Goes A-Trouping

Lever Brothers have a slightly selfish interest in helping women to sew washable dresses, for a certain number of those dresses will be tubbed in Lux. *McCall's Magazine* (and patterns) also glows all over at sight of a woman with needle, thread and thimble. The two organizations are jointly sponsoring a fashion show to boost the popularity of stitching.

At a preview in New York, repre-

sentatives of fabric makers, department stores and the trade press watched comely mannequins mince past in Luxable, McCall patterned costumes. Six road companies are to take the show to 125-150 department stores throughout the U. S. and Canada. Some 150,000 women will see the creations and have their desire-glands for clothes stimulated.

All in One

A power unit (to light six rooms, run a cream separator, churn, circular saw and emery wheel), a six-tube radio and a washing machine—all for less than \$200—are being offered to farmers by Federal Distributing Co., Kansas City.

The portable power unit, a Zenith product, is run by gasoline, and is started by a hand lever. Zenith also makes the radio, which comes in a handsome cabinet. Apex puts out the washing machine.

It is estimated that the entire unit may be operated for some six cents a week. This, together with the low price, will end the farm family dialogue of, "Mother, turn up that wick. Wish we could afford electricity."

Romance of Bread

With a six-month tour of Europe behind it, the Long Foundation of Food Research, of Chicago, is now in Africa shooting pictures. After the expedition gets back, by way of India,

Now =

- Increased POWER
- Doubled SIGNAL STRENGTH
- Greater COVERAGE

With a night-time rated power of 1,000 watts, the installation of a Truscon Vertical Radiator Antenna System (mast 308 feet high) doubles radiated power and greatly increases the audience of W D R C. During the day, rated power has been increased from 2,500 to 5,000 watts, and with this new antenna system, radiated power is now four times the former strength, extending the listening area considerably, offering a greater market to advertisers.

No Increase in Rates

Advertisers can now reach a greater (and wealthy) market at smaller cost per listener, through W D R C. The spending power of people in the Hartford area is much above average. Sales possibilities are unusually high . . . and advertising through W D R C is exceptionally productive.

W D R C

Basic CBS Station

"The Advertising Test Station
in the Advertising Test City"

HARTFORD

CONN.

W D R C

Magazine and Radio Expenditures

(February and year to date)

Compiled for SALES MANAGEMENT by Publishers' Information Bureau, Inc.

Class	NATIONAL MAGAZINES				RADIO	
	February 1936	1935	January-February 1936	1935	1936	January 1935
1. Automobiles	\$1,015,835	\$ 759,416	\$ 1,205,344	\$ 781,618	\$ 338,406	\$ 371,109
2. Auto Accessories	324,840	235,015	344,117	257,194	415,364	287,521
3. Clothing	252,347	223,533	429,088	357,970	28,781	28,592
4. Communication	67,084	64,682	94,097	87,977	—	—
5. Electrical Household Equipment	172,121	141,034	212,356	152,654	7,896	15,362
6. Electrical Structural Equipment	96,225	23,152	108,652	35,437	—	—
7. Financial	322,415	281,944	419,014	369,549	35,390	48,561
8. Foods	1,311,001	1,531,610	2,100,466	2,161,104	909,743	977,924
9. Food Beverages	398,783	313,578	446,110	396,429	357,873	289,434
10. Beer, Wines and Liquors	198,811	306,391	367,019	481,314	—	—
11. Confections	24,739	63,083	38,302	119,334	126,085	194,873
12. Housefurnishings	251,662	230,306	319,494	296,086	30,564	—
13. Kitchen Supplies	93,819	37,853	111,615	67,812	50,278	26,327
14. Soaps, Cleansers	443,306	443,009	666,222	595,416	193,718	158,299
15. Jewelry, Clocks, Watches	15,724	7,918	34,783	20,289	12,186	3,752
16. Machinery	50,152	36,223	66,245	48,456	—	—
17. Office Supplies	102,709	149,356	139,858	191,909	108,764	5,079
18. Publications	166,222	116,674	220,699	160,406	22,608	54,220
19. Radios	124,472	78,307	169,564	117,704	92,823	96,703
20. Smoking Materials	515,708	541,036	768,789	696,796	358,948	321,371
21. Sporting Goods	114,371	209,653	256,907	288,745	—	—
22. Structural Materials	73,908	47,042	94,192	61,825	24,100	16,242
23. Structural Fixtures	77,047	33,511	81,395	38,571	66,377	17,359
24. Toilet Goods	1,192,096	1,523,959	1,619,089	2,081,210	938,413	1,015,846
25. Medical Supplies	923,922	905,653	1,229,245	1,275,150	507,927	671,088
26. Travel and Accommodations	270,703	245,527	431,117	387,898	4,968	3,980
27. Miscellaneous	1,091,127	781,673	1,644,770	1,244,045	109,348	60,344
Total	9,691,149	9,331,138	13,618,549	12,772,898	4,740,560	4,663,986
Increase	3.9%		6.6%		1.7%	

Note—The National Magazines checked total 114 publications, 15 weeklies and semi-monthlies for January and 99 monthlies, including *Vogue* for February. All figures are based on one-time or single insertion rates.

Note—Network Radio Broadcasting figures cover national or chain broadcasting carried over the networks of the National Broadcasting Company, Columbia Broadcasting System and the Mutual Broadcasting System for 1936. The figures cover facilities only and do not include talent.

China and Japan, it will release the product of its labors:

"A feature-length educational movie with sound, depicting the history, progress and methods of cereal culture and bread baking around the world, against a background of rich and colorful customs which have nationalized those arts."

Related material, studies of foreign bread merchandising and distribution, and of the more advanced European developments in cereal technology, is also being gathered.

The movie will be released in June. Individual bakers, millers and baking companies are to sponsor it.

Telling the Stockholders

Iron Fireman Manufacturing Co., Portland, Ore., is one concern that lets the stockholders see what fuel runs the engine that produces dividends. Instead of giving them merely an annual balance sheet of assets and liabilities, Iron Fireman describes its past and future advertising policies.

"Unit sales set a new all-time high record . . . 40.7% ahead of the pre-

vious record year. Dollar volume increase amounted to 33.7%," the Annual Report states. It goes on to describe new products developed, and outlines their operation so that some stockholders might want to buy them. Then it tells what magazines and newspapers will be used during 1936:

"Such as S. E. P., *Time*, *Fortune*, *Nation's Business*, *Better Homes & Gardens*, *American Home*, *House Beautiful*, *House & Garden*, and *Country Life*. The company will also include a sizable campaign in about 25 metropolitan Sunday newspapers. Gerber-Crossley, of Portland, are the agents.

President T. H. Banfield is looking forward to increased volume this year for I. F. burners because, "in 1934 more houses burned down than were built. In 1935 it is estimated that only 60,000 families were provided with houses as against a population increase of about 400,000 families a year. The Federal Housing Administration . . . is aggressively stimulating new construction. Iron Fireman is in good position to procure results from this program."

Illinois Brick Co. Promotes New "Autumtints" Brick

Common brick sells in Chicago for from \$10 to \$12 per thousand. Face brick sells at from \$26 to \$40 a thousand. Native clay in and near Chicago is unsuited for anything but the common brick. It burns to a very light color. The result is that Chicago has been dressed very largely like a man wearing a "dicky" instead of a shirt. The fronts of buildings have been made of face brick; the sides and rear of common brick. Such buildings lack beauty.

After three years of experimentation the Illinois Brick Co., which normally makes approximately one-half of the common bricks used in Chicago, has developed a new type of low-priced brick. Very handsome, it can be sold at from \$16 to \$17 a thousand.

Called the "Autumtints" brick, it is the result of treating the common brick on one face and both ends with a ceramic material which is beaten into the wet clay with stiff brushes.

Then it is permanently fused in during the baking process under a temperature of 1,900 degrees F.

Inorganic materials are used to bring the desired color and the mixture is beaten in mechanically until the surface is thoroughly impregnated. Three types have been produced to date and are known as reds, buffs and colonials.

No face brick has ever been made close to Chicago. Mostly it has been brought in from distant brick yards, some of them as far away as Ohio and western Pennsylvania. Freights as high as \$9 a thousand have been paid. This new "faced" common brick is expected to do much to improve the appearance of construction in Chicago without added cost.

William Schlake, president of the Illinois Brick Co., said to SM: "I believe this to be the greatest development in the history of the common brick industry. Our method of introducing this new type of brick is very simple. We are sending to all architects and structural engineers color photographs of wall-sections made of the new brick, quoting prices, and leaving the rest to them."

RCA Victor Radio Men in "Biggest Ever" Contest

RCA Victor is conducting the "greatest sales competition in the history of radio," a national Sales-caster Contest.

All of the company's distributors for the three months of the contest's duration are organized into "networks." Distributors competing against each other are those whose territories are most nearly comparable in population, number of large cities, etc. Winning distributors in each network receive 40% of the prize money. Second highest get 30%; third 20%; and fourth get 10%.

Each winning distributor divides his share among all dealers' salesmen in proportion to their sales. Each radio model counts for a certain number of watts. Salesmen enter these on Sales-caster check books. When a salesman has used up his checkbook he will have made 25 sales, and will be eligible for an extra dividend of 10% of his total bonus.

Moreover, additional merchandise prizes for greatest dollar volume within a short period of time are to be awarded. In one of these two ways every man entered wins something. Entrants register as being affiliated with a franchised RCA Victor dealer. The latter forward entries to distributors. April 30 is the contest's closing date.

MARCH 1, 1936



Actual photograph* of a sales manager about to make a \$100,000 mistake...

He thinks he is right, of course. He makes many decisions every day, based upon reports from his salesmen, from his own observations, from what he hears and reads. But he is about to make an expensive error.

The policy he is about to decide is important. If he is right they'll say, "how canny his judgment is." But this time it is going to cost him part of his reputation. For all his decisions, like all of yours, must be based upon facts. Decisions are usually no better than the facts; and in this case they were inadequate.

And that is where we come in. As one of the oldest and largest fact-gathering institutions in the country, we, with our three thousand trained interviewers, could have given this man fresh, dependable facts direct from dealers and buyers of his product.

The cost of market research, as we do it for clients, is always less than the cost of mistakes. It is the wise policy of progressive concerns today (make us prove this!) to base every decision upon adequate facts gathered and interpreted by an outside organization whose business it is to know how such work should be done.

* At least, it is the way a photographer thinks a sales manager looks.

FREE CHECK LIST

Send for list of 81 types of problem-solving research possible to use in the business man's daily routine, to make safer 81 kinds of decisions his job constantly calls for. No obligation. It will help any business man determine if he is unknowingly overlooking safety factors which other men in his line employ. (Use or attach your letterhead.)

MARKET RESEARCH CORPORATION OF AMERICA

Formerly Percival White, Inc.,
and Arnold Research Service, Inc.

Rockefeller Center, N. Y. City
120 S. La Salle St., Chicago

Prevents those wrong decisions, based upon faulty facts, which cost you time and money



SALES LETTERS

BY MAXWELL DROKE

Even Philanthropists Like to Know Where the Money Goes

I have long held that social agencies in this country err seriously in their failure to give an accurate and appealing account of their stewardship over moneys entrusted to them. Oh, their accounts are duly audited, to be sure. Dry statistical reports are issued from time to time. But the Average Citizen, with five, ten or a hundred dollars in the pot, has little real conception of where his money goes.

Thus I am especially cheered to know that this letter, mailed on the bitterest day of a recent blizzard, reached every active subscriber to the Indianapolis Community Fund. Old-school social servants will suffer buck ague when they reckon the postage bill, but I am firmly convinced that the expenditure is well advised; that it will not only reduce shrinkage on current pledges, but also exercise a favorable effect on future subscriptions.

It's high time we applied business principles to our charities. For, after all, under present conditions, they represent one of America's biggest businesses:

"What are lives worth today in Indianapolis?

"Here is a feeble mother with her two-weeks' old babe. Scantly clad, her eyes search the bare room hunting for escape. Down goes the mercury far below zero. Death hovers close. Would you help bring her the fuel that presently starts the little stove to give life and heat? Have you a dollar to help buy food for them?

"An old man, with most of his energy expended in the past, without an overcoat, with shoes whose thin soles cannot protect his feet from the snow and ice, feebly breasts the howling winter blast. Where can he go? Would you help him to some hot coffee and a warm bed?

"Over by the river, in one of the tumble-down wrecks of houses that the Government condemns, is a big family. The sub-zero weather catches them without food or fuel. A sick father whose scanty earnings can no longer buy protection for them. What have they to look forward to? You may be too busy to look them up and provide the food and fuel that stands between them and death—but of course if you really knew them, and where they live, you would gladly do something.

"The grim claws of death and disaster reach into all parts of your city when Winter rides its zero blasts. Old mothers and fathers; tiny children crying for warmth and food; poorly clad and undernourished men and women—hundreds of them—to

whom exposure means death unless something is done. . . .

"But this is not an appeal to YOU for financial help. For YOUR dollars have already been enlisted in the battle through your contribution to your Community Fund. This is merely a reminder that your contribution is working through these zero days. May we hope you will remember what Winter means, and what your support is accomplishing at this time. On behalf of the less fortunate, may we thank you for the lives you have helped to save."

A Pleasant Variation of "Customer Come Back to Me"

Something a bit new in the way of a reminder to inactive customers. Instead of the conventional "what's-become-of-you-anyway" letter, O. M. Scott & Sons, the grass-seed purveyors, send those who have strayed from the fold this little memo, multigraphed on bright yellow stock, and personally signed:

"Was it our fault? We missed you last year. Either your lawn did not receive its usual Spring care, or you took a chance on other seed. Regardless of what happened, I'd like to ward off a recurrence.

"If in any respect our seed or service went wrong, won't you please tell us? While we don't expect all the business, it does hurt when an old customer fails to come back."

And They Never Will Learn Why She Canceled Her Order

A housewife of my acquaintance has an arrangement with a vacuum cleaner company to call and inspect her cleaner at stated intervals, for a small service fee. Or, more accurately, she *had* such an arrangement. She canceled it the other day when she received a printed postal card, reading something like this:

"Dear Madam:

"We have arranged to have Mr. Blank call on you next Wednesday to take care of your cleaner, as per the agreement which you signed.

"The Blank Cleaner Company."

The lady is perhaps a bit unreasonable (she is my wife and I deem it more prudent to take a neutral stand), but it seems that the card irritated her quite considerably. There was no solicitous inquiry as to whether the date indicated would be

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

convenient to the customer; no time specified; not even an intimation as to whether the representative would call in the morning or afternoon. Of course the vacuum cleaner company could not be expected to know that the maid was ill of neuralgia; that the lady had a number of pressing errands to be done in town, and a bridge appointment for the afternoon. No; they didn't know. And she didn't bother to tell them. She merely arose in her provocation and phoned, canceling the service.

Here's a Letter That Uses Easy, Convincing Language

All I know about paint is that it is something to cover up the conspicuous nakedness of our timbered structures, and that by saving the surface, you save all. But I do gather a distinct impression from this letter that the Stewart Brothers Paint Company has produced something pretty slick in their D. B. Aluminum paint, and that, I presume, is the general idea Writer C. B. Robinette intended to convey. If I were a user of aluminum paint, I certainly would be disposed to give it a trial.

"We know you can grab your telephone and have paint delivered to you in two hours.

"There is one kind of paint you can't get that way, and that is aluminum paint equal to our D. B. (double brilliant) aluminum paint in brilliancy, toughness of film and working qualities.

"We hit a 'natural' on this, and the best proof is that two paint manufacturers big enough to buy and sell us and think nothing of it, have already admitted they cannot match it.

"It produces the nicest aluminum finish any man ever saw, and it will stand after being mixed almost indefinitely, without losing any of its brilliancy. This feature, we will take a bet, you never found in any aluminum paint you have ever used—regardless of price.

"The best part of it is that we can quote D. B. aluminum paint at a price no higher than you are required to pay for any ordinary aluminum paint.

"It will outwear them all, and look better all the way.

"May we send you a sample to try out?"

* * *

Panther Oil & Grease Mfg. Co. needed to raise some money because the "demand for cash is unusually heavy just now." They sent a letter to the customers explaining how the latter could profit thereby. "Your account is *Not Due*. Please do not take this letter as a request for payment now. But take it please as an opportunity for you to make a saving in case you have some surplus money on hand that you want to put to work at better than usual interest rates. We're merely making you an offer to hire the money represented by your account." This *Not Due* idea is capable of adaptation, methinks. It strikes me as rather neat.

SALES MANAGEMENT



Maxwell Droke

It's high time we applied business principles to our charities. For, after all, under present conditions, they represent one of America's biggest businesses:

"What are lives worth today in Indianapolis?

"Here is a feeble mother with her two-weeks' old babe. Scantly clad, her eyes search the bare room hunting for escape. Down goes the mercury far below zero. Death hovers close. Would you help bring her the fuel that presently starts the little stove to give life and heat? Have you a dollar to help buy food for them?

"An old man, with most of his energy expended in the past, without an overcoat, with shoes whose thin soles cannot protect his feet from the snow and ice, feebly breasts the howling winter blast. Where can he go? Would you help him to some hot coffee and a warm bed?

"Over by the river, in one of the tumble-down wrecks of houses that the Government condemns, is a big family. The sub-zero weather catches them without food or fuel. A sick father whose scanty earnings can no longer buy protection for them. What have they to look forward to? You may be too busy to look them up and provide the food and fuel that stands between them and death—but of course if you really knew them, and where they live, you would gladly do something.

"The grim claws of death and disaster reach into all parts of your city when Winter rides its zero blasts. Old mothers and fathers; tiny children crying for warmth and food; poorly clad and undernourished men and women—hundreds of them—to

Preliminary outline of contents

SALES MANAGEMENT'S 1936 SURVEY OF SPENDING POWER

to be published April 10; forms close March 25.

- For all of the more than 3,300 counties the following columns of valuable statistical data are planned. The order of presentation will be by geographical areas states, and counties alphabetically arranged — as per the following model set-up in which dummy names and figures are used. Figures after county names [such as New York (19)] refer to major city trading areas to which the counties belong.

NEW YORK

COUNTIES	POPULATION (in thousands)				BANK DE- POSITS	RENT AND OWNERSHIP		FACTORY WAGE	IN-COME TAX	LIVING STANDARDS 1935		NEW CAR SALES			SPENDABLE MONEY INCOME 1935					
	Total 1930	% of State	% of U.S.A.	% Urban		Fam- ilies	In millions of \$ 1935	Median Rental 1930	% Own- ers 1930	Aver- age Annual 1933	Returns per 1000 pop. 1933	Tele- phones	Pass. Car Reg.	1935	1934	Ratio '35 to '34	Total in thousands of \$	% of State	% of U.S.A.	Per cap- ita	Ur- ban Fam- ily Me- dian
											(per 1000 pop.)									
New York (19)...	1,867.3	1.427	4.8517	97.3	488.4	240.3	40.82	20.4	1,079	184.8	542	742	23,111	19,618	112	4,060,988	29.83	6.8311	2,178	2,942
Schaeffler (72)...	149.6	.23	.0083	18.6	37.2	49.4	11.62	90.2	403	11.1	116	139	711	97	298,146	1.96	.0031	500	1,800	
Schuylerville (61)...	14.2	.01	.0002	18.9	3.8	16.1	12.91	72.9	609	7.3	211	300	601	506	165	311,918	.34	.0008	750	2,004
Steuben (72)....	18.8	.02	.0003	14.3	4.2	98.9	14.06	70.0	843	10.9	161	142	2,809	2,000	211	500,000	1.09	.0021	1,000	2,861
STATE TOTAL	12,197.6	100	13.9812	84.3	3,982.6	1,056.4	20.02	32.0	916	102	318	419	100,031	90,000	143	61,918,412	100	17.8142	1,000	1,844

- For 914 cities of more than 10,000 population the following is the set-up. City data will follow the county plan: geographical areas, and alphabetically by states.

NEW YORK

CITY	COUNTY	POPULATION				Bank Debits Ratio 1935 to 1934	Telephones, Major Cities, 1935	City Revenue Receipts, 1934, Major Cities, per capita	Postal Receipts, Ratio Dec. 1935 to Dec. 1934	Income Tax Returns, 1933, per 1000 people	Spendable Money In- come, 1935, per capita
		Zone	Municipal	% County	% State						
Albany.....	Boyd.....	168,421	127,026	96.41	11.63	168	41,628	....	918	32	609
Binghamton.....	Baxter.....	11,064	11,064	15.72	1.21	124	....	41	....	411	....
Buffalo.....	Steuben.....	1,982,607	784,211	78.73	23.96	96	101,916	97.62	1,084	78	1,018
Brooklyn.....	Harlow.....	11,614,219	6,123,456	100.63	46.28	98	483,812	181.19	5,111	118	1,111
Cortland.....	Ohio.....	84,217	50,619	49.82	3.62	117	3,419	....	....	15	502
Utica.....	Webster.....	....	....	....	....	....	....	....	....	....	....

RATES AND SPACE UNITS

The following units of space are offered:

- (a) Pages, 7 x 10, and multiples of pages, \$175 each.
- (b) Half pages—horizontal only—5" deep by 7" wide—\$110.
- (c) One-third pages—horizontal only—3 1/3" deep by 7" wide—\$75.
- (d) Quarter pages—horizontal only—2 1/2" deep by 7" wide—\$60.
- (e) Bleed—\$30 per page extra—\$50 for spreads.
- (f) Color, at \$85 per color per page or fronting pages, is available in certain sections of the book. Get in touch with nearest office for information on color and preferred position.

SALES MANAGEMENT

420 Lexington Avenue, New York
333 N. Michigan Avenue, Chicago

29 East de la Guerra, Santa Barbara
42 Peachtree Place, N.E., Atlanta

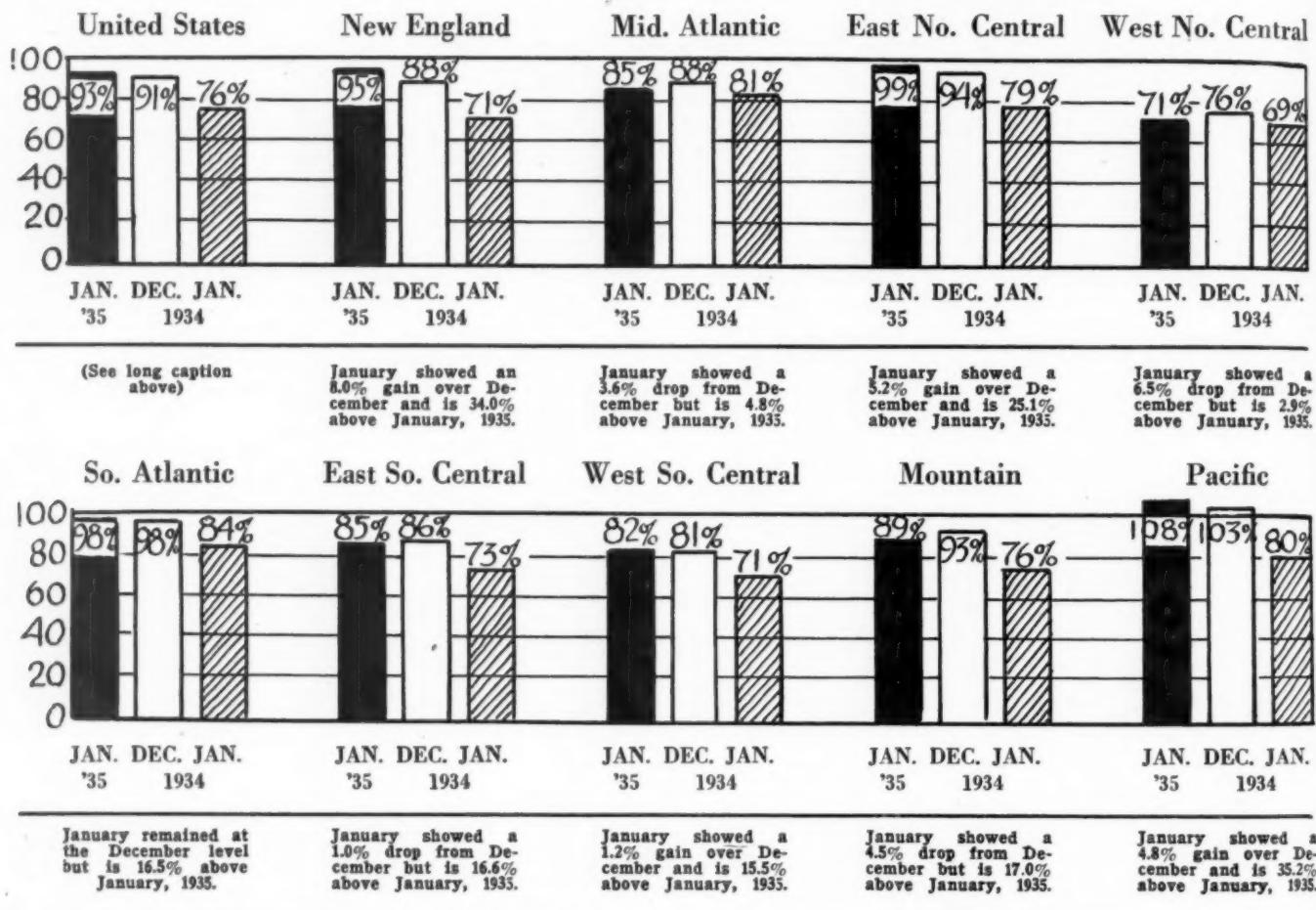
Sales Management's Sectional Index of General Business

(By Geographical Census Divisions. Monthly average 1923-25=100)

BY RAY B. PREScott

(The state of business expressed in terms of percentage approach toward the "normal" average of the years 1923-1925. The horizontal bar represents normal. The designation of districts follows the standard breakdown used by the Bureau of Census. The index numbers used, as determined by Ray B. Prescott, are a weighted composite of bank debits and retail sales.)

UNITED STATES: Business in general made a 2.0% gain in January over December, and 22.2% over January, 1934. This gain was not true of all sections of the country, however, four showing small losses ranging from 1.0% in the East South Central states to 6.5% in the West North Central. Losses may be partly accounted for by the unusually cold winter experienced in these sections. The advancement of automobile sales from January to November made a definite and country-wide change in the seasonal buying of cars. In almost every section of the country automobile sales in November and December were almost double those of the same months in 1934, and those of January, 1935, were almost double January, 1934. Business sentiment throughout the country is showing marked improvement. Railroads are coming into the market to replace a great deal of obsolete equipment, and this alone should give considerable added momentum to the whole recovery movement.



Advertising Campaigns

(Continued from page 318)

waving will be expounded between musical numbers, and the fairer sex will be urged to visit the beauty shops oftener. Grey Advertising Agency directs the campaign, which, for the present at least, is confined to Sunday evenings on the radio.

Two years ago Grey auditioned Spitalny's orchestra when it was newly formed. It appeared on a Lunt program about a year ago and made something of a sensation, for a 30-girl orchestra is not common. Maestro Spitalny spent months discovering and drilling his girls. Locating good feminine violinists or harpists was no

trick at all. A base tuba player was rarer than a dodo. The ladies just don't seem to play tubas. After fruitlessly combing the country, Spitalny was obliged to train a tuba girl from the very first oom-pah. She is considered a Number One oom-pah artist now.

Feen-a-mint Switches

Ever since Columbia Broadcasting banned laxatives from its portion of the air waves, admen have known that the most prominent CBS laxative account, Feen-a-mint, would seek another rostrum. For it was not believed that so successful a program as Ray Perkins and his amateurs would be allowed to fade away. He and they had

built up too much public and druggist good will.

Feen-a-mint's agent, William Esty & Co., announces that the Perkins gong will continue to ring over 14 Mutual and affiliated stations. Says Account Exec. Adlai Hardin, of Esty, "We are using what is, in effect, a new network. In addition to the regular Mutual Broadcasting stations, we are hooking up with other super-power stations to gain national coverage."

"About 100 newspapers in the 50 cities within the listening areas of these stations will carry program announcements."

Up until April 12 station WINS will be Feen-a-mint's metropolitan New York outlet. After that date,

when its schedule permits, Mutual's WOR will convey the chewing gum laxative's amateur period there.

GF's Heroes

Youngsters of another generation were urged by their parents to stow away a good breakfast for the reward of reading about Buster Brown, Happy Hooligan and Foxy Grandpa. Those Sunday comic favorites exercised a beneficial influence with only the aid of parental imagination.

Nowadays juvenile heroes are marshaled by admen and put through their paces with the specific object of getting more prepared wheat, corn, etc., down Junior's midriff. General Foods Corp., finding comic strip technique advantageous, is unlimbering a quartette of funnies section campaigns to make big the eyes—and appetites—of kids from Me. to Cal. and from Fla. to Ore.

Dizzy Dean pitches again this year, as last, for Grape-Nuts. He sponsors the "Dizzy Dean Winners Club."

Joe E. Brown is pictured filling his big mouth with Grape-Nuts Flakes and his admirers can join his club.

Melvin Purvis, former G-man, tracks down gangsters when fortified with a foundation of Post Toasties. Small fry join his "Junior G-man Corps," which has a feminine division also. Air enthusiasts, who must be Post's 40% Bran Flakes lovers, get into Captain Frank Hawks' "Captain Frank's Air Hawks." Badges, instruction manuals, "secret" signs and so on of these organizations are obtained with box tops.

Grape-Nuts and Flakes are handled by Young & Rubicam. Post Toasties and Bran Flakes are in the care of Benton & Bowles. Both agents will supplement the nation-blanketing newspaper campaign with a schedule in farm and general magazines. Just how many publications are on the list GF won't divulge. Company policy. But it's the largest advertising bowl of cereal ever set before the youngsters.

Del Monte Varieties

To distributors gathered in Chicago, California Packing Co., of San Francisco, revealed plans for a big push in the Spring. In addition to regular advertising for individual Del Monte canned foods, the company will proclaim the virtues of all Del Monte items from March 10 to April 10. Women's magazines are to carry the major share of the campaign, called the "Del Monte Variety Show."

Newspapers and outdoor posters in selected markets will echo the 13,000,000 messages in the women's publications. McCann-Erickson's San Fran-

cisco office will work with California Packing's Ad Manager W. P. Rogers on the Show.

Cantor: Salesman

CBS is crowning over the 25 to 35% increase in sales by Pebeco tooth paste since Eddie Cantor went on the air last Spring. With only "a few trade paper ads to foster distribution and acquaint dealers with the appeal of the new red, white and blue cartons," radio carried all the load. Conclude Lennen & Mitchell, agents for Lehn & Fink, "Eddie Cantor is a truly great radio comic and a super radio salesman."

Inexpensive Household Articles Best Premiums

(Continued from page 320)

Crayons, water pistols, cameras, baseballs and scout knives were most popular with the children. More expensive items, such as baseball gloves, footballs and large dolls, were almost ignored, probably because their redemption involved the accumulation of 100 or more coupons, representing a year's supply of coffee to an average family.

The average number of coupons redeemed for merchandise of all classes was 41, making the average value of the premium 41 cents. This firm values its coupons at 1 cent in relation to the price the company itself pays for the merchandise shown in its catalog.

In regard to the price ranges which prove the biggest drawing cards, it was found that 50% of all redemptions were for items requiring 25 coupons or less. Articles calling for from 26 to 50 coupons accounted for 30% of the total redemptions; those asking from 51 to 100 coupons pulled 16% of the requests; and premiums requiring more than 100 coupons commanded only 4% of the replies.

The foregoing analysis, of course, represents merely the experience of one manufacturer and one class of merchandise; the figures may vary to some extent in other fields. The coffee roaster, however, markets a product which reaches a genuine cross-section of the public, rich and poor alike, and consequently offers a fairly accurate barometer of general preferences. With redemptions involving consumers throughout several Southern states, manufacturers of other products and advertising agencies serving such clients can well afford to give careful consideration to American Coffee's premium experience in formulating their own plans and premium offers.



These modern *Matched* aluminum kitchen utensils are exactly what women desire for kitchen modernization.

The marked consumer trend toward kitchen modernization puts new emphasis on cooking utensils. This new line of Matched aluminum utensils—by A. G. M. Co., the makers of Mirro—is as modern as tomorrow.

And these utensils are "naturals" as premiums. Their appeal is both right and timely. Regardless of what products you sell, the great general desire for modern utensils can be put to work promoting sales for you. Our Promotional Division offers you experienced cooperation in developing plans to suit your needs. Invite an A. G. M. Co. representative to call.

PROMOTIONAL DIVISION

ALUMINUM GOODS
Manufacturing Company
MANITOWOC • WISCONSIN



MEDIA AND AGENCIES

After-Dark Entertainment

Advertising men and women last month received several Valentines. They followed each other daily, in pink boxes, and they told in rhyme the story of a "gigantic increase in rate" of *Stage* magazine. The rate had lately been \$425 a page:

"For this pathetic sum
Stage tenders
This country's most
PRODIGIOUS spenders."

The final Valentine told "how to celebrate St. Valentine's Day." Much larger than the others, it went into minutest detail. You must provide her with a Valentine, a telegram, 6 doz. long-stemmed roses, lunch, and sables. And since *Stage* is "the magazine of After-Dark Entertainment" and proclaims that "the small hours of the night are the big hours of the day," this Valentine ends:

"The best of your fun in this curious town . . . Will occur when the sun is decidedly down . . . When dinner and theatre your thoughts must engage . . . You'll get a straight tip from the columns of *Stage* . . . Then dance till you're sleepy, and parting's no sorrow . . . Just tell her you're equally free for tomorrow . . . To relax, to assume that your conquest is sure . . . Is the worst of mistakes in the field of Amour . . . Do we charge for this splendid advice? Be your age! . . . We've got the town merrily doing it—*Stage*."

Until October, 1935, the base rate of *Stage* had been \$300 a page. It was increased then to \$425. Now it is being boosted again to \$525. The Valentines helped to make it painless. Advertisers do not pay rate increases without reason. In the case of *Stage* there was reason aplenty. It had grown remarkably in circulation and appeal.

Started in 1929 as the *Theatre Guild Magazine* on an eight-issues-a-year basis, it was not self-sustaining. Like a lot of other businesses at that time, the theatre was slipping. In May, 1932, the name was changed to *Stage*, "published in behalf of the Theatre Guild." Advertising and circulation, however, continued nominal. The price was 25 cents a copy, \$2.50 a year. There were 12 issues a year then. But the theatre was going from bad to worse financially, and *Stage* was no better.

In October, 1931, John Hanrahan was brought in for advice. Hanrahan knew publishing. After graduation from Columbia he had worked on *Cosmopolitan* and on *Collier's*, had been business manager of *Nation's Business*, and then as "publishing counsel" had served many others, notably *The New Yorker*. He had gained much prestige in publishing circles. And some profit. But the going, in the case of *Stage*, was tough.

In December, 1934, Hanrahan stopped advising and became editor of *Stage*.

Stage Celebrates Arriving at Its Majority by Raising Rates . . . Other Spot News of Advertising

Things started going rapidly then. The stage was picking up fast, but *Stage* moved forward even more rapidly. In that issue, it became "the magazine of After-Dark Entertainment," covering not merely "the legitimate theatre" but the other activities which, among adult people of means and alertness, combine to make the hours after 7 P. M. the most enjoyable of the day.

Much larger in format and number of pages, much lighter in touch and in va-



One of the
pink and
white missives
announcing
Stage's rate
increase.

riety of appeal, "this new *Stage*" began to reflect the best plays, motion pictures, music, radio, restaurants and supper clubs, and led thousands to enjoy them. Circulation went fizzing up. Last May, the circulation of *Stage* was 22,790, slightly more of it newsstand than subscription. Last month the circulation was approximately 46,000, of which 24,000 was subscription at \$3 a year, and 22,000 was newsstand, at 35 cents a copy.

And advertising grew with circulation. In February, 1935, *Stage* carried 5,948 lines of advertising. In February, 1936, it carried 12,068. Its readers are about equally divided between men and women, and its advertising appeals to both.

So, of course, does editorial content. This should have been emphasized several paragraphs back. Together with such good staff writers as Ruth Woodbury Sedgewick (Theatre), Katherine Best (Pictures), Beatrice Mathieu (Fashions), Marcia Davenport (Music) and Scudder Middleton (Dining & Dancing), Editor Hanrahan has shown both liberality and foresight in attracting to *Stage* during this first year of his direction such contributors as Heywood Broun, Stanley Walker, Deems Taylor, Peggy Bacon, James Thurber, Don Marquis, Tony Sarg, Gilbert Seldes and nearly 200 more.

Candid cameras have worked overtime for *Stage*, and so have candid pens. Concerned with "metropolitan life after-dark," Hanrahan has seen to it that the magazine is not provincially New Yorkish. Over one-third of the present 46,000 circulation is in the metropolitan area, another third is divided in the 18 next largest trading areas, from Boston and Philadelphia to San Francisco and Los Angeles, and the remaining third among "people who do not play bridge five nights a week," wherever they may be, including Dubuque.

Since advertisers are naturally interested in people who have money, and who go

out and spend it, one large and interesting advertiser group in *Stage* is New York's "Fifth Avenue and Fifty-Seventh Street belt" of exclusive specialty stores. Appearing regularly in *Stage* now are Bonwit Teller and Henri Bendel, Bergdorf Goodman and Jay Thorpe, Saks Fifth Avenue, Brand-Chatillon, Gunther, Millgrim, Jaekel and many more of this type. Other well-represented classifications are travel, toilet requisites, cigarettes and liquors. Packard cars are there, too, and the Victor Library of Recorded Music. And there are many of the more sophisticated hotels and "hot spots."

New advertising accounts in the past year comprise more than 100 names, large and small. A glance at the list shows Canadian Pacific, United States Lines, United Fruit and Raymond-Whitcomb; such perfume accounts as Caron, Houbigant and Guerlain; Camel and Spud cigarettes, Gordon's gin and Johnny Walker; F. R. Tripler, Vassar underwear, Marie Earle, Margery Wilson, and Railways of France.

In connection with adoption of the \$425 rate last October, *Stage's* advertising staff "made a drive" which brought about 450 pages for 1936. With the \$525 rate now going into effect, *Stage* is making another drive which Advertising Manager Donohoe thinks may produce an even larger total.

Without printing an indelicate line or picture, *Stage* has brought back the night to its pre-Depression place as the time to live joyously. As *Stage* said in a subscription advertisement in *The New Yorker* a week or two ago:

"Oh, gentlemen, when you go wooing go right! Give 'impractical' gifts. Give escape. Give delight. Give the joys that you find on each frivolous page of that vigorous guide to right living called *Stage*."

Digest Promotes Other News Weeklies

In a current promotion piece the *Literary Digest* capitalizes on the attention which newspapers paid to the recent poll on the New Deal and ends the argument with a tribute to the importance of news weeklies as a group—*Literary Digest*, *Time* and *News-Week*. Individual and combined circulations and rates are given and a footnote points out that the duplication of circulation of the three magazines is estimated at only 5%.

Newspapers Show Big Gains

Total advertising in newspapers of the 52 cities measured by Media Records, Inc., showed a gain of 7.7% over the same month last year. General advertising increased 18%, financial 21.7%, classified 17.2%, and retail 6.9%. Because of the transference of automobile shows from January to November, automotive lineage took a tumble of 39.5%.

Magazine Advertisers and Their Use of Radio

The National Broadcasting Company checked the 150 leading magazine advertisers of 1935 against the expenditures made by these same companies on radio networks in the same year. They find that 70 of these 150 leading advertisers used network time and spent \$32,173,705, or an average of \$459,624 per advertiser. The 150 companies spent \$78,593,597 in magazines during the same period. The radio bill is for time only.

Congratulations, Mr. Platt!

Warren C. Platt, editor and publisher of the *National Petroleum News*, brought out on February 5 a "Public Educational Issue" containing 516 pages, of which 179 were advertising. This was not a true measure of the amount of business secured because the equivalent of a little more than 200 pages of advertising were sold, but some companies preferred not to run any ads but to spend the money instead for extra copies. The billing on the single issue amounted to about \$40,000. Of particular significance is the fact that the magazine acted as the mouthpiece of the oil industry in attempting to create a better understanding of the problems and the practices of that industry. The issue is being mailed free to 15,000 people outside of the oil industry, including the President, members of the Cabinet, Senators and Representatives at Washington; Governors and members of state Senates and Assemblies; mayors, newspapers, bankers in towns of 10,000 and over; the larger colleges and universities and public libraries.

Bonus Money

The Des Moines *Register-Tribune* lost no time in pointing out to its advertising prospects the opportunities in connection with the spending of bonus money. They broke down the \$41,000,000 coming to Iowa veterans by the percentages shown in the American Legion survey and show for 31 products the amounts which will be spent in Iowa and in the central nine counties. And they add a happy thought at the end—"the veteran pays his doctor, his grocer, his automobile dealer. The doctor buys a new car, the grocer repairs his home, the automobile dealer purchases a new Spring outfit for his wife . . . 'round and 'round it goes."

Chicago Daily News Changes

All national advertising in the territory west of Pittsburgh will from now on be handled by the Chicago *Daily News* with its own organization. The publication will maintain its own office in Detroit with J. Ray Scolaro, Jr., in charge. Eastern territory will continue as in the past through the George A. McDevitt organization which has offices in New York and Philadelphia.

This Is the Guilty Man!

He looks innocent—but actually he is the man largely responsible for securing hundreds of testimonials from Hollywood actors and actresses! He did this in his work as national advertising manager of the Hollywood *Citizen-News* from 1929 until last month. Now he has taken a similar post with the Pasadena *Star-News*. National advertisers like him as well for the merchandising work he has done on their products as for the testimonials he has secured.



W. O. Minchner
he has done on their products as for the
testimonials he has secured.

What's New?

Stanley Resor, president of J. Walter Thompson Company, announces the election of five more vice-presidents of that company, making 22 in all: Henry M. Stevens, formerly in charge of the St. Louis

office, will have his headquarters in New York; Howard Henderson, former Cincinnati manager, has also been transferred to New York; R. Lynn Baker, San Francisco manager, is now in charge of the three Pacific Coast offices—San Francisco, Los Angeles and Seattle; Kenneth W. Hinks, former Berlin manager, and Morton V. Wieland, will be located at the Chicago office.

Roscoe Fawcett, vice-president and general manager, announces that February estimates show a new peak in net paid circulation of Fawcett Publications with Fawcett Women's Group topping its guarantee by nearly half a million copies with a total net sale of 2,457,170, and record sales by several other Fawcett magazines . . . N. V. Palmer has been named assistant manager of the *Electrical World* and *Electrical Contracting Buyers' Reference Numbers*. Mr. Palmer has been Eastern sales representative for *Electrical Contracting* and *Electrical Wholesaling* for the past

year . . . Edwin G. Weber, formerly with the Western Cartridge Company, has joined the Chicago office of the United States Printing & Lithograph Company, where he will be in charge of their point-of-sale advertising department.

Freeman Keyes, formerly director and general manager of Philip O. Palmer & Company, will be in charge of radio advertising for Hays MacFarland & Company, Chicago advertising agency . . . Francis C. Miller has joined the staff of *Chain Store Age* to handle accounts in Chicago and Northern Ohio . . . Samuel G. Wingfield has been appointed publicity director of Kenyon & Eckhardt, Inc. Mr. Wingfield was formerly with N. W. Ayer & Son and was at one time associate editor of the *Country Gentleman*.

At the February 7 meeting of the board of directors of the Audit Bureau of Circulations an amendment was adopted enabling members to request an outside investigation.

(Continued on page 340)

R E C O G N I T I O N

OF THE IMPORTANT CIRCULATION OF

Harpers

MAGAZINE

CIRCULATION OVER 100,000

We are happy to report new contracts for 1936 from advertisers in the general field — such as:

Cadillac Motor Car Company
General Electric Company
A. B. Dick & Company
Sherwin-Williams Company
RCA Manufacturing Company
U. S. Beet Sugar Association
Aluminum Company of America

The slight but ingenious change in the size of the new *Harpers Magazine* is proving to be of great assistance in overcoming mechanical problems and meeting with much favor by advertisers generally. The new size makes available a Bleed page of $7 \times 10\frac{3}{16}$, or the standard size, $5\frac{1}{2} \times 8\frac{1}{2}$. Two-page spreads can also be used for plates originally prepared for magazines of the large $9\frac{3}{8} \times 12\frac{1}{8}$ size.

Your advertising story will get a better reception when it is told to "The First One Hundred Thousand".

HARPER & BROTHERS • Publishers
49 East 33rd Street, New York, N. Y.

Consumers' Research

may say mean things about your product.

But what does your public think about what CR says?

Preliminary tests, to determine a method for obtaining consumers' reactions, have been made, covering these items:

Crazy Crystals
Ovaltine
Bromo Seltzer
Baker's Cocoa
Absorbine, Jr.
Van Heusen Shirts
Sal Hepatica
Chevrolet
Quaker Puffed Rice
Pebeco Toothpaste
Royal Gelatine
Bayer's Aspirin
Old Dutch Cleanser
Princess Pat Face Powder

To get the results of the test, fill in the coupon.

MARKET RESEARCH
Rockefeller Center, New York City

Please enter my subscription for one year for MARKET RESEARCH.

I enclose \$1... Bill me for \$1... (Foreign, \$2)

Name

Company

Street

City..... State.....

Junking of Outmoded Catalog Booms Montgomery Ward's Sales

(Continued from page 301)

from good retail store and agency fields. All statements in the catalog were checked carefully by the editors against laboratory findings. Then something else was discovered—

"Much of the merchandise, while good in quality, required modernization from the standpoint of design. The task of doing that went forward hand in hand with the rebuilding of the catalog. But desire for modernization did not mean modernization.

"Many manufacturers bitterly opposed being told that they had to redesign their goods. So, in many instances, Ward's had to go into the designing business. It had to become a creator and had to insist that its new models were made and its new specifications were met.

"Such demands finally forced the redesign of whole lines of such articles as household and kitchen wares, aluminum, etc. More, the house didn't want to move out of its market. It was required that the new lines be no more costly than the old.

"Then followed an era of re-packaging. Packages and cartons had to take on new beauty but they must cost no more. Specialists were put to work to see that efficiency was improved and quality retained.

"Thirty-seven kinds of glass containers were found to be in use in the drug department. These were reduced to four and the result was much greater beauty. Standardization was effected in many departments. Automobile supplies and accessories, as one illustration, were packaged so that they took on a family resemblance. This was true in other departments.

Photos and Roto Much Used

"With whole lines of merchandise and packaging made over, the catalog makers resorted to full color photography. Until color photography came in, and that is very recent, color pictures of living models were made by having artists paint over black-and-white prints. Up to then even flower pictures, for the seed catalogs, had to be made the same way because, strange as it may seem, even a flower is always in motion and will not stand still for a series of exposures through color filters.

"With the use of photography, rotogravure was added. The catalog became a work of art comparable to

good magazines. The public responded to all this, for the public in recent years has been through a course of higher education.

"The more active departments were given added space in the catalogs. In five years the radio section jumped three to nine pages and the paint section from 11 to 14 pages.

"The Spring and Summer catalog for 1936 contains 716 pages, an increase of more than 100 pages in a year. The press run for the current catalog is 6,000,000. That is enough to fill 500 standard freight cars. It took 500,000 pounds of ink for the printing.

"Even the cover was modernized. The ancient habit of using art and ornamentation on it gave way to simplicity. A handy classification index was added to the border of the front cover. That used to be concealed somewhere inside, to be found only after a hunt.

Offers Decorator's Service

"Expert interior decorators were employed to establish a new department. These give without cost advice on the furnishing of anything from a bathroom to a complete house. Potential customers are shown, by mail, how to draw a scale plan of the room or rooms they plan to furnish.

"Blanks to be filled out elicit all the needed information and the experts submit complete plans with swatches showing the materials suggested for draperies, upholstery, curtains, bedspreads, and floor coverings. Even samples of wall paints, lacquers, linoleum, etc., are supplied.

"The idea is to increase the unit of sale; boost the purchase of a chair to an entire suite or the refurbishing of a room to the refurbishing of several rooms."

Here we end the quotation credited to the composite man and end with the suggestion that the gross sales figures seem to suggest the soundness of the rebuilt merchandising plan of one of the nation's oldest houses in the mail order business.

However, in these recent years Montgomery Ward & Co. has become more than a mail order house. It now has 505 retail stores in 46 states to back up its nine mail order warehouses scattered from the Pacific to the Atlantic.

How 2,183 Small Town Markets Stand in Per Capita Food Sales

(Continued from page 311)

of city per capita food sales go for such unmanufactured, and consequently unadvertised, foodstuffs. In fact, one may even find the city food buyer using more raw foodstuffs than the farmer by reason of having fresh vegetables available even in the dead of Winter when the majority of our farmers and small town people are using canned vegetables and foodstuffs which are subject to the benefits of advertising. When all the factors are considered it must be evident to practically all food manufacturers that both small town people and city people are good prospects. And in many cases, for products such as baking powder, fruit pectins, flour, baking needs such as chocolate, coconut, and syrup, prepared breakfast foods, etc., the small town and rural market affords greater opportunities than the metropolitan centers.

Proof of Village Appetites

Food stores are distributed throughout these areas and are well stocked with manufactured and nationally advertised food products. They represent a fairly well concentrated market in that a manufacturer may reach them by selling only the jobbers who habitually cover the small town and rural field. Proof of this comes from the jobber himself. This statement is backed with a survey made by Walter Mann and Staff among a sample group of large city jobbers distributed throughout Eastern, Midwestern and Pacific Coast states. Upon being asked the question as to how much of their business volume came from communities of less than 10,000 population, their answers showed that 51% of their total business came from this market.

Although questions may arise as to the relative merits of our various national markets so far as durable goods are concerned, it is evident that no such questions arise where food is concerned, inasmuch as the entire country presents a sales opportunity to the food advertiser. This is demonstrated by the high per capita food sales of the 93 largest cities on the one hand, and by the equally high per capita food sales of the 2,183 small towns of 2,500 to 10,000 population on the other.

MARCH 1, 1936

Changes in Sales Policy Which Upped Nash Profits

(Continued from page 285)

economic digest, for example, is based on several statistical services to which we subscribe.

A customer control card system enables the manager to direct the activities of his salesmen properly and to supervise their work closely. This consists of two cards for each customer on which are spaces for all pertinent information, including a record of calls and of sales, why customer bought or did not buy, what he thinks of the line, and when he is likely to be in the market. These are filed to come

up when the customer or prospect should be contacted again. The manager gives one card to the salesman and retains the other until the salesman turns in his card again, whereupon his notations are transcribed on the office card and both cards are again placed in the date file unless the prospect or customer requires further immediate attention.

Deliveries are made at the branch and salesmen are required to call on their customers within ten days thereafter. This is for the purpose of insuring satisfaction, but it also is probably the best source of new prospects.

Our advertising is in keeping with our product, which, of course, means the best. We are doing more adver-



BIRDS OF A FEATHER...

● And the *live* ones flock where new ideas, exhilarating, stimulating, are always to be found. Sparkling and progressive, MILL & FACTORY editorial policy provides that kind of show for that kind of audience; an avid reader interest transfers in full to advertising pages. You will find M & F readers entirely at home to selling ideas.

MILL & FACTORY
A CONOVER-MAST PUBLICATION

Advertising Offices:

NEW YORK
205 E. 42nd St.

CHICAGO
333 N. Michigan Ave.

"What . . . another loving cup?"

*groaned Harvey Brown,
ace salesman*

"—Or cash that vanishes like magic? Why don't they give us something worth fighting for—a trip to Bermuda on the MONARCH or QUEEN, for instance?" That's my idea of a real prize.

Offer your sales organization a Furness-Bermuda trip as a prize the next time you plan a contest and watch sales mount up to a new high.

Results prove this . . . letters in our files prove it . . . and what's more, the salesmen themselves prove it by bringing home the bacon.

Let our Convention Department show you how to boost sales records into record sales. We will furnish you with sales contest plans, broadsides, portfolios, everything to help you put over a sure-fire prize that makes loving cups and cash awards as outmoded as cigar store Indians!

* * *

The Monarch of Bermuda and the Queen of Bermuda are transatlantic-size vessels "pleasure-planned" throughout. Every stateroom with private bath or shower. \$250,000 dance decks. Tiled swimming pools. Large sports decks. Unsurpassed entertainment. Shipboard facilities for conventions large or small, at no additional charge. Halls for meetings seating up to 700.

For further information write now to the Convention Department, Furness Bermuda Line, 34 Whitehall St., New York, or 180 No. Michigan Ave., Chicago.

tising and, we think, better advertising than ever before. (Merrill Advertising Company, Inc., New York, is our advertising and merchandising counsel and has a Cincinnati branch to take care of our account.) Our consumer advertising is appearing currently in the *Saturday Evening Post* and *Collier's*, and in about a dozen newspapers. Reprints of the magazine advertisements are furnished all salesmen in advance so that they may familiarize themselves with the contents and make the best possible use of them.

All in all, we feel justly proud of the progress which we have made so far. Now we are working to make still greater strides in 1936, and in the years to come.

Media and Agencies

(Continued from page 337)

tion of some other paper's circulation, expenses to be paid by the parties involved, providing the complaint is justified. The following new members were announced: Chrysler Corporation, Hygienic Products Company, Campbell-Ewald Company, Lawrence C. Gumbinner Advertising Agency, Action Stories, Lariat Story Magazine, Anderson, (S.C.) Record, Kearney (Neb.) Daily Hub, Tyler (Tex.) Courier Times, Tyler (Tex.) Telegraph and Vancouver (Canada) News-Herald. T. F. Driscoll, of Armour & Company was succeeded by D. D. Richards, of Sears, Roebuck & Company, as a member of the board of directors, and L. R. Greene, of the Rackett Tobacco Company, Ltd., Canada, was succeeded by H. H. Rimmer, of the Canadian General Electric Company, Ltd. The Bureau's next convention is scheduled to be held in Chicago, October 15 and 16, 1936.

Walter J. Neff, sales manager of WOR, has tendered his resignation, effective March 15, to organize a radio station representative and consultant bureau in New York City. Before joining WOR, in 1928, Mr. Neff had been artist, announcer, director and musical director at several other New York City radio stations.

"Bulkhead" Advertising

"Bulkhead" advertising is now being sold in the street cars in Chicago for the first time. This is the center glass space behind the motorman. It is not available in other cities. Previously the bulkhead space has been used by the Chicago Surface Lines for company announcements.

There are 2,200 cars of the bulkhead type, which means that the motorman is cut off from the main part of the car by swinging doors at the sides of the center glass partition.

Wieboldt's, with five department stores and two specialty stores, bought the space for the month of December. After running a general publicity advertise-

ment for a time, it tried a "test" with a specialty. This was the offer of a "Cub" radio at a price of \$1 down and \$1 a week for ten weeks.

The first advertisement appeared on January 24 and on Saturday, February 1, the sales were up 200 units over the best previous Saturday. The weekday sales ran from 50 to 60 sets above normal.

F. R. Barnard, western advertising manager for Barron Collier, suggested to Wieboldt's that the space be used to feature specific merchandise that would not be advertised in any other medium so as to prove definitely the pulling power of the bulkhead position.

Account Changes

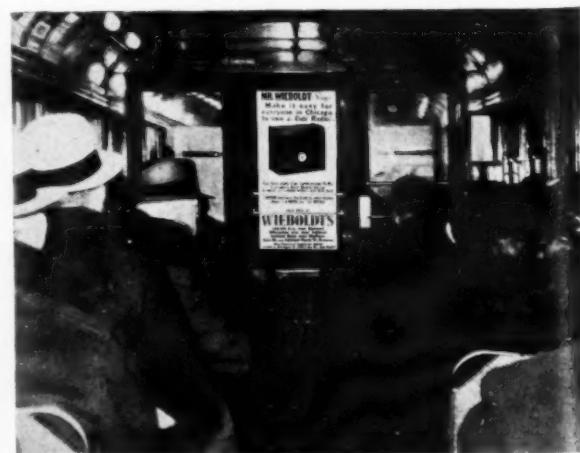
Nichols Engineering & Research Corporation, and the Baker Linen Company, to Albert Frank-Guenther Law, Inc. . . . The Ice Publicity Association of Philadelphia, to Byren & Weil, Inc. . . . Clipper Belt Lacer Company, after an absence of almost ten years from the national advertising field, to Brooke, Smith & French, Inc. . . . Crucible Steel Company of America (excluding Agricultural Division) to Richardson, Alley & Richards Company . . . The Charles P. Cochrane Company, to Charles W. Hoyt Company, Inc. . . . Pick Hotels Corporation, operators of 13 Albert Pick Hotels in six states, to Geyer, Cornell & Newell, Inc.

Albers Super-Markets, Inc., to the Merrill Advertising Company, Inc., for radio advertising . . . Johnson Products, Inc., to James L. Dilley, Inc. . . . Phillips Delicious Foods to Blackman Advertising, Inc., for all territories except Philadelphia and the South Atlantic States . . . Electric Hose & Rubber Company to Rickard and Company, Inc. . . . American Steel Wool Manufacturing Co. to W. I. Tracy, Inc. . . . Nestle-Le Mur Company, manufacturers of hair waving equipment, to Calkins & Holden.

United States Tobacco Company to Arthur Kudner, Inc. . . . B. F. Nelson Manufacturing Company to Erwin, Wasey & Company . . . White Cap Company to N. W. Ayer & Son, Inc.

Simmons-Boardman Elects

Frederick H. Thompson, v.p. and director of Simmons-Boardman Publishing Co., has been elected to the board of directors of the parent company—Simmons-Boardman Publishing Corp. Frederick C. Koch, also a v.p. of the first company, has been elected to its directorate. Mr. Thompson has been with S-B since 1912; Mr. Koch since 1909.



A new medium is created.

Showboy Salesman: Shall We Rein Him or Let Him Run?

(Continued from page 291)

were elevated to management because it was believed that would give them a larger theatre for their so profitable showmanship.

Showmen-salesmen seldom use prepared solicitations. They believe in the catch-as-catch-can kind of presentation because they are better able to adapt that method of selling to unexpected situations that arise during the course of the sale, and they contend that such situations do come up in a large percentage of cases. For example, a sales manager of an industrial manufacturer had been calling on a large prospect for a couple of years, without making any headway. In fact, he was not even treated with ordinary courtesy.

Enter: A Distinguished Stranger

One day, as a final attempt to land the business, he took the head of his company's laboratory with him. This man is a scientist with considerable reputation. He has a number of degrees and has a distinguished appearance. The sales manager approached the reception desk and asked for the buyer. That gentleman came out immediately, but when he saw who was calling he started to get abusive. The sales manager instantly put his finger to his own mouth, shook his head warningly and with the other hand beckoned the buyer over into a dark corner. Mystified, the buyer followed him. The sales manager then whispered something into the buyer's ear. Immediately he walked apologetically over to where the laboratory head was standing and said, "Pardon me, Doctor So-and-So. I didn't know who you were. Won't you gentlemen step into my office? I am honored to have you call." Inside the scientist launched into a technical discussion of the buyer's problems, the outcome of which is that the account was secured before they left the buyer's office several hours later.

My work keeps me in contact with salesmen all the time. I am personally acquainted with hundreds of star salesmen and with scores of sales directors who would be classed as showmen. Everyone of these men has the priceless gift of being able to capitalize everything that happens on the sales scene to his advantage. They grab something off of their prospect's desk



Your key, first of all, to *economy*, because of the Mayfair's moderate room rates and reasonable charges — to *convenience*, because of the Mayfair's location in the center of the business, theatre and shopping district — to *good living*, because of its fine



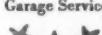
3 Restaurants

THE MAYFAIR ROOM

THE HOFBRAU
and the

COFFEE GRILL

Air-conditioned lobbies,
lounges and restaurants—
Garage Service.



food, comfortable accommodations, courteous service — to *prestige*, because of the high regard in which the Mayfair is held by Saint Louis business men — in truth, your key to *many things* besides the finest hotel rooms you can rent for the money in Saint Louis. Rates: \$2.50 to \$6.00 single; \$4.00 to \$7.00 double. *Over 50% of the rooms for \$3.50 or less. Each with private bath.*

Hotel Mayfair EIGHTH AND ST. CHARLES
SAINT LOUIS ★ ★ ★

HOTEL LENNOX — Only One Block Over — Same Management



THE STEVENS World's Largest Hotel CHICAGO

Like European hotels of great repute, The Stevens is just outside the noisy central business district — yet but a few steps to wherever one wants to go in Chicago. Rooms with bath from \$2.50.

DINE SMART—THE CONTINENTAL ROOM

A REALLY NEW PREMIUM

One that Is Definitely

VALUABLE

One that Can Really Be

PERSONALIZED

One that Will Surely Create

GOOD WILL

We will be glad to send an engraved sample of the new Deluxe Model Schick Injector Razor for your inspection upon receipt of \$2.00 (the full retail price of a single razor, without engraving) which will be credited to any subsequent order you may place for quantities. Please specify exact engraving wanted on such sample. Also some indication of the quantity you might be able to use. Write Magazine Repeating Razor Co., 941 Connecticut Avenue, Bridgeport, Conn.



Your firm's name (or the recipient's) engraved on each razor. ↑

Where a traditional hospitality blends so gracefully with modern comforts and convenience.

Rates begin at \$3.50

BELLEVUE STRATFORD
IN PHILADELPHIA

One of the few Famous
Hotels in America

CLAUDE H. BENNETT, Gen. Mgr.

Booking Offices in
New York: 31 W. 42nd St., Longacre 5-4500
Pittsburgh: Standard Life Bldg., Court 1400

and build an argument around it to combat an objection that the buyer has raised. Or they throw the prospect completely off his guard, appearing to change the subject, by innocently asking him if he ever attended a baseball game and the bases were filled and the weakest hitter on the team was coming to bat, etc., etc. The prospect becomes excited over the situation, but suddenly finds that he has been subtly led to concede the salesman's argument.

These showmen are constantly putting over brilliant presentations, which they never used before and will never use again. In fact, these presentations were thought up on the spur of the moment to cope with an unexpected situation which came up and which the ordinary salesman would be altogether unable to handle. Men who can do this are artists, and should not be judged by the standards of commonplace salesmen or be submitted to the discipline or the control that ninety out of a hundred salesmen require.

Give Impresario Salesman Rope

In this last sentence is summed up the complete set of instructions as to how to manage the showman-salesman. The best plan is to leave him alone. He is a self-winder and needs virtually no direction. In fact, he drives himself harder than his boss would ever think of driving him. He should be regarded as a sort of one-man sales organization. He should not be subject to regimentation lest it kill the goose that lays the golden eggs. He should not be compared with the other men on the force, and never should he be held up as a model to the other men. His exploits, under any circumstances, should not be publicized to the force. Above all, don't ask him to get up at sales conventions and tell how he does it. The chances are he couldn't do so anyway, and would only succeed in making an insufferable egotist of himself.

The showman-sales-executive requires different treatment. He is in charge of men and is responsible for the marketing of his company's goods. So he cannot be isolated from the rest of the organization and allowed to hoe his own row, as can a salesman. His activities must, somehow, be made to mesh with the operations of the business as a whole. The sales directors brilliance should not be suppressed to any degree and at the same time his temperament should not be permitted to interfere with the smooth, orderly, routine functioning of the sales organization as a unit.

There is only one effective way to

cure a situation of this kind, and that is to have two sales managers. They both should not have the same title, however, and neither should they be equal in authority. One must be boss. Their jobs, though, may be and, in fact, should be, quite different.

We have found this arrangement not only workable, but one that contributes greatly to the efficiency of any sales organization. In putting this plan into operation we usually let the present sales manager continue in the capacity for which he is best fitted. If he is a showman with great ability in handling his men and in contacting the trade, he is largely freed from other duties and given an opportunity to devote himself mainly to the work he likes to do.

Then an assistant general sales manager is appointed for the inside sales direction work. He must be the opposite of his chief. They must complement each other in every way, be so temperamentally in tune that they can get along as an efficient team. If the sales manager is a showman, his assistant must be the comptroller or the merchandising manager type of executive. He must be an organizer. He must have the ability to coordinate the various marketing activities of the company, and be capable of giving each department its proportionate share of sales effort. He must be expert in sales control and in long-term sales planning.

Let Brass Assist Brain

On the other hand, if the reigning sales manager happens to be the inside type of executive, of the kind described in the preceding paragraph, then it is likely that it will be found that the company is suffering from the lack of a showman-manager on the outside. In that case we try to select as assistant general sales manager a man who has these theatrical qualities. Rarely do we find organizing ability and the gift of showmanship combined in the same man. Both these capacities are needed by most companies, however. To get them it is nearly always necessary to place two men at the sales manager's desk.

It is a significant fact that successful organizations generally have two men with these characteristics among their executives. The Van Sweringen brothers partnership was a notable example of such a team. The late M. J. was the inside man, the organizer of the brothers' vast detail, the one who saw that the accounts always balanced. O. P. was the negotiator, the fundraiser, the star salesman of the combination.

Tips



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

New England Market Factors Published by N. E. Council

Speaking as the recognized voice of New England business, the New England Council has published a graphic and statistical analysis of that six-state market, entitled "New England Today." It is a study which should be among the working tools of executives distributing in this area, for it interprets the marketing factors involved in the area and its population, power, transportation, manufacturing, recreation, natural resources, and banking and trade. Some of the significant facts brought out in the many charts include these: Three-fourths of the present population is within 50 miles of the seacoast; 95% of all homes receive electric service, as compared with 70% for the U. S. as a whole; rural electrification likewise is greater in New England than elsewhere in the U. S., with 46.14% of its farms electrified, as compared with 11.8% for the U. S.; more than 50% of total wage and salary income is derived from manufacturing; an estimated \$400,000,000 was spent by vacationists in 1935, 3,000,000 visitors coming from outside New England. Inquiries for the study, which is priced at 50 cents, should be sent direct to Robert Huse, the New England Council, Boston, Mass.

Super-Salesman Cantor Ups Pebeco Sales 25% on CBS

A new case study on the selling power of radio advertising, with radio carrying most of the load, but with Eddie Cantor in the role of star salesman, has just been released by CBS. If Lehn & Fink should decide to try a new salesman one of these days, the likable Eddie could make excellent use of this promotion piece when he went job-hunting. For it is the sort

of testimonial salesmen dream about—"last Spring sales jumped from scratch—results tremendous—this Fall with a high mark to shoot at, no newspaper or magazine advertising to help, no dealer helps, but sales upped 25% to 35% over previous high." And all because of CBS and Cantor's salesmanship. Study emphasizes the work which Eddie did on scripts, commercial plugs, developing the whole program each week to make it a selling program from start to sign-off. Columbia modestly calls attention to the network contribution to this sales record, and, admitting the presence of other audiences and salesmen on the air, suggests that there are plenty of listeners to go around—a point which should give thought to all radio advertisers and prospects. Worth knowing about, this campaign. Write Victor Ratner, Columbia Broadcasting System, 485 Madison Avenue, New York City.

More and Better Homes

From the Bureau of Market Analysis of Better Homes & Gardens has come a study on "Recovery in Residential Building," which has a bearing on the sales plans of companies operating in this field. Specifically showing that the present building shortage is greater than the post-War shortage, that factors in general business are operating to make for improvement in the building situation, that the status of home financing since 1933 has improved, and that building activity has already increased, the study holds out a conservative promise of steady increase during 1936. The facts cited are not new, but their publication in this bulletin form makes correlation of the various factors easy and direct. Copies of the study are available on request to R. F. Stark, Better Homes & Gardens, Des Moines, Iowa.

"More Business" is the title of a truly beautiful—and sales provoking—publication which is being distributed monthly this year by the American Photo-Engravers Association, to show the many uses of advertising illustration. Illustrations range from full four-color process to many examples of black and white. Write Louis Flader, American Photo-Engravers Association, 166 W. Van Buren Street, Chicago, Ill. Subscribers in New York should write Photo-Engravers Board of Trade, 60 E. 42nd Street, New York City.

"HOT SHOTS"

Put your salesmen on their toes with weekly "Hot Shots," a series of illustrated messages on post cards. An effective, energizing change or complement of usual bulletins. Write for samples. A. H. Dreher, 3136 Washington Blvd., Cleveland, Ohio.

PHOTOSTATS
COMMERCE PHOTO-PRINT
CORPORATION
1 WALL STREET
233 Broadway 56 Pine St.
80 Maiden Lane 33 W. 42nd St.
Digby 4-9135-6-7-8

MARCH 1, 1936



WELL MANAGED BECAUSE WELL MANNED

HERE at Chalfonte-Haddon Hall we have a group of competent, intelligent people whose activity and interest will make your convention a success. Heading this staff is a trained convention manager, ready to spend his time saving yours. Modern committee rooms for groups of all sizes. Special convention rates on American and European Plans. Write us for them.

Leeds and Lippincott Company

Chalfonte- Haddon Hall ATLANTIC CITY

Personal Service and Supplies

Cash Basis Only. Remittance Must Accompany Order.
Classified Rates: 50c a line of seven words; minimum \$3.00. No display.

EXECUTIVES WANTED

\$2,500, send only name and address for details.
R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo,
N. Y.

LINES WANTED

SOUTHERN CALIFORNIA DISTRIBUTOR—aggressive agency will act as manufacturer's or sales agents. Only products of merit backed by responsible firms sought. Will give real distribution. Write Box 461, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

GIBBONS KNOWS CANADA

TORONTO
MONTREAL
WINNIPEG
LONDON, Eng.

REGINA
CALGARY
EDMONTON
VANCOUVER

[343]



S A L E S M A N A G E M E N T

BY RAY BILL

WILL OBSOLESCENCE RUIN YOUR BUSINESS? Elsewhere in this issue appears an article which outlines the sales policies that have been responsible for a rapid rate of increase in sales of Montgomery Ward & Company during the past several years. One of the most important of the major changes in management, carried through by the company to bring about its good record, was the wholesale redesigning of products. . . . In telling about this phase of the revitalized sales program, one of the company officers made a statement which seems to us highly significant. He said, "Many manufacturers bitterly opposed being told that they had to redesign their goods. So, in many instances, Ward's had to go into the designing business. It had to become a creator and had to insist that its new models were made and its new specifications were met." . . . Nothing could better demonstrate the appalling lack of understanding on the part of many manufacturers of the proper place of product design in the marketing scheme. When retailers demand a smarter, more efficient product, that demand is not a signal to the producer—as it should be—that his own organization is falling behind the times. All he can see is the expense incident to the development of new models, and the high cost of new tools and dies for the factory. He is still living in the Production Age. . . . SALES MANAGEMENT need not point out to the automobile manufacturers—or the refrigerator manufacturers—that efficient management demands that the producer of a product or a line keep not only in step with changes in public taste, but actually be from one to five years ahead of such trends. . . . No manufacturer should ever be in the position where his retailers come to him to issue an ultimatum that he must redesign his goods. If this happens, it is a dead certain indication of decay of management ability within the company. . . . Montgomery Ward knew—but many of its suppliers did not—that redesign of a product does not necessarily mean the new model must be higher in price than the old. Here is another phase of design on which no small number of manufacturers have failed to instruct themselves. Hundreds of case histories which have come through the SALES MANAGEMENT offices in the last five years prove that in at least 50% of the instances a manufacturer who goes about redesigning his line in the proper manner can actually produce a more efficient product of strictly modern design tuned to current popular tastes, at

at even lower cost. You can't continue to sell high button shoes in a sandal era, nor iron coal stoves when the ladies want electric ranges, nor button-laden clothes for children when the kids can dress themselves with zippers. Yet thousands of manufacturers continue—at their own incalculably high expense—to try.

* * *

LOOKING AHEAD TEN YEARS! In the morning's mail, an announcement from the Institute of Public Relations tells about several unique policies, including its utilization of an advisory staff of men with established reputations in such fields as education, finance, editing and merchandising. In the afternoon, a high executive of one of the country's leading enterprises tells us. . . . "You know, the requirements of a good company executive seem to have undergone considerable change during recent years. In our organization for many years the genius of production and the engineer who was a realistic master of efficiency were of surpassing importance. In periods of rapid expansion, financial brains also came to the fore. But the modern hue and cry is for leaders who understand what is going on in a broad sense. By that I mean such things as international economics, national economics, the evolution of law, the trend in federal, state and even local government as it affects or is likely to affect business in general and our business in particular, tax trends, style trends, ebb and flow of public opinion. . . ." We interrupted at this point but he picked up the thread again. "Executives who can keep up with that sort of thing can't be specialists in production or finance. Nor can they be theorists or men of fluctuating judgment. Above all, this kind of an executive must have balance, so that when he has to face a hundred and one kinds of good and bad breaks, he knows what to do, when to do it and how to do it. In meeting the modern problems of business you can't get so many years ahead as to be visionary, but you've got to be damned sure you don't get behind *at all*. I suppose you call what I have been describing as the modern demand for experts in public relations." . . . To which we replied, "Yes, public relations plus practical understanding of the sales side of business." As we see it, the future success of a great many companies depends on pushing to the fore men who combine successful merchandising experience with a wide comprehension of what is broadly termed public relations.